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The Nation's Business

Marine Insurance Plan Under Fire
Dangers in Government Interference
Empire Shopping Week is Menaced
Key Men Overlooked

THE Canadian Government is receiving a considerable amount of hostile publicity over its suggestion for the establishment of a "Canadian Lloyds" to remove supposed discrimination against Canadian ports in the matter of marine insurance rates. Half a dozen English newspapers have taken the matter up editorially, and their hostility to the proposal is shared to the full by underwriters in Canada.

The points "agin the government" are briefly three in number and have to do with the present world rate situation; the handicap of Canadian geography; and the innate nature of the marine insurance business.

On the first point it is claimed that existing marine rates are now so low as to be actually unsound, and that any revision that is made must be upward. Secondly that no amount of argument can gainsay the fact that experience has shown a preponderance of total losses in Canadian waters over those in adjacent United States coasts, and that under this handicap rates naturally favor the American ports with the better experience. Thirdly that the marine insurance business is probably the oldest form of insurance in the world, and the handicap of inexperience, plus flouting sound underwriting principles could never lead to anything but failure.

* * *

THIS is a controversy that to all intents and purposes has been going on now since before the war. If the government is merely using this threat as propaganda in an attempt to wring more concessions from the underwriters, there is little cause for alarm. If on the other hand the government is seriously thinking of launching out into this uncharted sea, the matter is of more than passing moment.

The fact that Canada is paying a small annual toll in higher insurance rates on account of her inland ports, is no excuse in itself for the government venturing into the marine insurance business. If there are other factors behind the proposed move, they have not been, but should be, explained. This whole matter was up for expert review not very long ago, and with a balance of sound opinion in favor of the underwriters, this continued interference by the government requires further explanation.

* * *

EMPIRE Shopping Week in Canada will fall short of its possible degree of success unless more activity is centred in enlisting the co-operation of retail merchants. The most important class to interest in an excellent effort of this kind are the merchants, who will be the immediate point of contact between the producers of British goods and the ultimate consumers. The merchants will be expected to make an investment of their own capital in stocking increased amounts of British Empire merchandise; will be expected to display them and otherwise place them favorably before their customers. So far as is apparent, little has been done to explain the campaign in a comprehensive manner to the rank and file of merchants in Canada.

A representative of the Retail Merchants' Association is one of the members of the executive committee. The finance committee happens to include representatives of the three big retail organizations of Canada. While apparently covering the retail field in these ways the campaign has failed yet to be brought home to the retailers as a whole.

* * *

APPARENTLY the trade associations, such as the hardware trade bodies, the jewellers' association, etc., have not been actively brought into the work. These are effective channels through which to approach the retailers. Even more powerful are the trade papers. Yet with the Empire Shopping Week less than a month away there is no evidence that editors of the leading trade journals have as yet been called into consultation; their advice and co-operation has not been sought.

Apparently the daily papers are being asked to give a certain amount of display to the abstract idea of buying Empire-made goods. The large department store organizations are being asked to arrange displays and special advertising. Manufacturers are being appealed to for funds. Speakers will talk about the patriotic aspect of buying within the Empire. Some good will be accomplished. But failure to bring trade papers and retail merchants into the work will limit the success of the campaign materially.

Tamblyn Sales Grow by $56,000

Sales in Tamblyn drug stores in January and February of this year were $56,000 in excess of the corresponding months of a year ago, it is reported. The net profit is said to be at the rate of $3.50 per share per year.

The common stock has been selling around 25. Some appreciation may be anticipated by those who are in position to know the company. There are 85 stores in the chain. Chain store stocks usually at from twelve to twenty times the earnings per share.

UNION TRUST APPOINTS ROSSER

Union Trust Company, Toronto, has appointed Clarence S. Rosser as superintendent of its real estate department.

FUTURE DIMS 1927 LOSSES OF GLASS CO.

Perfection Glass Outlook Said to be Improved Now

NEW MEN PROGRESS

Increased Business, Lower Overhead and Restored Confidence Are Bullish Factors

From Our Own Correspondent

MONTREAL.—A very substantial loss for the 1927 year; an entire revision of plans and policies for 1928; and a restoration of the company into the confidence of the glass manufacturers, are the highlights of the situation at present surrounding the Perfection Glass Co.

The first factor is undoubtedly a bearish one and one which has probably not yet been fully discounted on the stock markets, in spite of the fact that the stock has dropped from 8 to 3½ this year. The other factors are decidedly bullish and over a period of a year or two, there is much evidence indicating that the company will give a better account of itself, and will find itself in a profit-making position.

As far as 1927 is concerned, the actual figures will not be available much before April 11, the date of the annual meeting. Possibly the directors might decide to send out the statement in advance of the meeting, but it is quite likely that nothing will be given out until that date.

Not only will the statement show a heavy loss for the year, but it will also show that the new management which took over the business on Jan. 1, has made drastic cuts in various balance-sheet items which they consider to have been out of line with the real position of the company. Patents for instance will be written down to $1.

Losses Expected

The profit and loss statement will probably not come as a surprise to those who have followed the career of the company since its incorporation about two years ago. Under the old management, the company slashed glass prices far below reasonable levels, and led the way into a price-cutting war which has for many months played havoc with certain phases of the glass business. Thus for the best part of 1927, Perfection Glass was selling its products at prices which disregarded entirely the actual out-of-pocket cost of manufacture. The full force of this policy will be borne by the 1927 statement, and will be in sharp contrast to the $41,000 profit made by the company in its first eight months of operation.

As for the immediate future of this company, there is much that is encouraging. The new management has, within the two months, been able to regain the confidence of the trade. In dollars and cents this means for one thing that order has replaced chaos in price levels, and already prices have been advanced considerably over the 1927 schedule, with prospect of even larger increases in the future. In some lines, prevailing prices are understood to be about 50 per cent. higher than the former absurd levels.

Sales Up For 1928

With this improvement in prices, the company has also increased its business and reduced overhead costs. Sales have already shown a decided improvement over the corresponding period of a year ago, and in overhead such drastic cuts have been made that the 1928 program which is being rigidly lived up to—calls for a 50 per cent. cut over similar costs during 1927.

New Lines Added

Then too, the company has recently added to its products a complete line of equipment for candy, ice-cream and similar fixtures. Good-sized orders have been received for this type of equipment, and if present conditions prevail throughout 1928, the company's sales should average at least $10,000 a month. These fixtures include a patented line of glass candy containers, and also the type of glass display cases, mounted on a marble composition base, which are used in grocery and confectionery stores.

For the present, although the company is still retaining its Windsor property, activities are being concentrated in Toronto and Montreal; future developments will depend both upon local and business conditions generally.

Another phase of the housekeeping of the new management, is the cleaning up of the stock-selling company known as Perfection Glass Securities, Inc. Recently the new interests turned over the entire duties of stock and transfer agents to the Royal Trust Co., and steps are being taken to wind up immediately the Securities Co., which formerly handled all the stock transactions in the stock.

Stock Transfer Held Up

At the present moment there can be no transfer of the company's stock, as the new management has insisted that the books of the Security Company be audited before handing them over to the Royal Trust. Thus, pending the receipt of the auditors' report, transfers are temporarily held up.

Of course the condition which has existed in the affairs of the company prior to the entrance of the new management, precludes without a shadow of doubt, the possibility of a dividend being paid on Perfection Glass stock this year. In October 1926, holders of the old common stock were treated to an "initial" dividend of 5 per cent., and it is understood that last year, many prospective or actual shareholders were led to believe that further distributions were in prospect. It will certainly be a

English Electric Will Pay Arrears by Capital Shift

Durant Motors of Canada Profits Higher for 1927

The financial report of Durant Motors of Canada which will be issued in a few days, will show marked improvement over 1926 when operating profits were $234,592 and net surplus $133,581. Operations have been on a considerably larger scale and earnings and surplus are stated to be considerably higher.

BETTER BUSINESS BUREAU ATTACKS ALEXANDRA DAIRY

Advises Investors Not to Purchase Share Peddled in Montreal

From Our Own Correspondent

MONTREAL.—The Financial Better Business Bureau, of Montreal, is circularizing security buyers from time to time touching the demerits of stocks and bonds offered in this city.

The first circular to be issued by the Bureau deals with the Alexandra Dairy issue which is being offered by Charles Wood and Company. In summing up the situation surrounding the issue the bulletin says:

"According to circulars issued, the capitalization of the company is 3,000 preferred shares and 220,000 common shares.

The offering to which this bulletin refers is that of 100,000 shares of the common stock which is being offered at $15 each and which is being extensively advertised at the present time by letters and pamphlets from the office of Charles Wood & Company.

"A close examination of the sales literature issued by Messrs. Charles Wood & Company, respecting this stock, does not disclose in any way the value of the assets of the company, nor does it make any reference to its past or present earnings.

"When Mr. Wood was interviewed this morning by a representative of the Financial Better Business Bureau, he was questioned regarding the assets, liabilities and earnings of the company, and he stated that it would not be possible to disclose these facts to the public at the present time.

"The Alexandra Dairy Company was formed in June of last year to take over the business of Mr. R. Dupras, and at that time the authorized capital was 1,500 preferred shares of $100 par value and 8,500 shares common stock without nominal or par value.

"In view of the fact that Mr. Wood has refused to disclose to the public the assets, liabilities and earnings of the company, we would advise those interested or canvassed to enquire further before committing themselves in any way to purchase these preferred or common shares.

EARNINGS LARGER FOR NATURAL GAS

Canadian Western Natural Gas Shows Gains for First Two Months

Earnings of Canadian Western Natural Gas, Light, Heat and Power Company for the first two months of 1928 show an increase of nearly twelve per cent. over same period of 1927, being up from $404,471 to $481,588. February increase, though a lesser gain than the two months, is more than $9,450. Comparative figures follow:

	1928	1927
February earnings	$207,878.44	$198,423.19
Jan. 1 to Feb. 29	481,588.09	404,471.67

New Preferred Stock is to be Issued For Present

RESUME DIVIDENDS

Plan is That New Issue Will at Once Go on Dividend Basis—Position is Much Improved

It is learned from authoritative sources that the English Electric Company of Canada is considering the revamping of its capital structure so as to wipe out arrears on the present issue of preferred stock, and place the company's securities on a regular dividend-paying basis. Alternative plans are now before the directors for consideration; and within the next fortnight the new plan for reconstruction of capitalization will likely be placed before the shareholders.

While all details of this new plan have not yet been decided, it is understood that it will likely call for the retirement and partial conversion of the present preferred issue into new preferred stock; and these new securities will immediately go on a regular dividend-paying basis. The position of the company's electrical business is stated to now warrant regular dividend payments; and the earnings reports for 1927 indicate that the company has finally rounded the corner and can now look forward to continued stable earnings on a basis to provide regular payments to shareholders. This year's operations to date have been especially gratifying, with good production and earnings increases over the first two and half months of 1927. The increase in building operations over the past twelve or fourteen months has meant volume buying of electrical equipment of all kinds; and waterpower and other electrical operations have resulted in large orders for the heavier type of equipment.

Arrears Total 32 Per Cent.

In formulating the new capital structure several factors have to be taken into consideration of which probably the most important is the paying up of preferred dividend arrears now totalling 32 per cent. on the $2,000,000 preference shares outstanding. Whether this will be done by a cash payment in full, or partly covered by an increased issue of new preference shares, has not yet been decided; but it is stated that the new plan when finally formulated, will be of a nature to fully satisfy shareholders.

The English Electric Company of Canada, Limited, has had some difficult periods since its incorporation in the latter part of 1921. During the early years of its operation, earnings were totally inadequate to meet preferred dividends, and 1926 was the first year when a full preferred dividend was earned. Since the early part of 1926, however, earnings have steadily moved upward; and while the 1927 financial statement will not be made public until May of this year, it is known that earnings are on a satisfactory basis, and sufficiently large to warrant shareholders' dividend expectations.

Earnings Increase

Following is a comparison of earnings:

	1926	1925	1924
Profits	$203,156	$ 64,004	$ 95,092
Depreciation	40,000	40,000	40,000
Income tax	2,693	......	......
Pref. dividend	70,000	50,000	......
Surp. for year	90,463	x25,996	55,092
Prev. surp.	293,848	319,844	264,752
P. & L. surp.	384,311	293,848	319,844

x Deficit.

List Fanny Farmer in Canada at Once

Reasons For Withdrawal of Application No Longer Exist; Better Market For Stock is Forecast

Fanny Farmer Candy Shops, Inc., common stock will be called for trading on the Toronto Stock Exchange within a week. This is stated officially. The conditions which a few weeks ago led to the withdrawal of the application are now changed, it is said.

One of the best known of the investment banking houses is preparing to recommend purchase of the stock by clients on the ground that long time before the company can the company has a proven record of increasing earnings, and is under management that has shown its capacity in this line of business over a term of years.

hope to work itself into a position where a regular dividend distribution can be expected, but in the meantime, there is every indication that a real and successful effort has been made to place the company, both internally and externally, upon a sound footing that augurs well for the future.

A Good Gamble

It appears therefore that the shares are still a business man's gamble, but they look like doing well in the long run, for the company's expansion in the past, coupled with the desire of the new management to place the organization on a really sound financial footing should ultimately work out in the best interests of the shareholders. But the shares can only be regarded by the holders as a very long hold for it takes more than a period of a few months to build up an organization which has been run down financially—in the meantime the stock is a gamble, and is regarded as such.

Better Market Forecast

There already is a substantial number of Canadian holders of this stock, which heretofore has been traded only on the New York Curb. It is probable that amount of stock held in Canada will increase materially.

A better market is forecast. The stock and the company are not so well known in investment circles in the States as they are in Canada, perhaps, and, on the Curb the issue is merely one of a large number of less active stocks. There have been wide fluctuations in the price since the slump in the market earlier this month, but there has been a gradual stiffening since. The stock sold this week at 40½. Its high was 44½ some weeks ago.

A typographical error in the March 16th issue of The Financial Post indicated that the company for 1927 appropriated $5,171 for depreciation, whereas the actual amount appropriated was $55,171, compared to $8,123 for the previous year. The depreciation reserve now stands at $154,237, against fixed assets shown at $690,984.

MERGER TALK LINKS UP GOSSE WITH B.C. FISH

Negotiations Likely to Assume Definite Shape

WILL CUT OVERHEAD

Two Companies Now Pack Over Half of Total B.C. Salmon Pack

Unconfirmed rumors are going the rounds to the effect that B. C. Fishing and Packing Co., and Gosse Packing Co., and perhaps one other British Columbia salmon packing company, will consolidate and continue operations under the name of the first company.

There are 36 canning plants operated by Gosse and B. C. Fish. Many of these plants admittedly duplicate one another's fishing area services. This overlapping might be reduced by a consolidation of the two companies and the operating overhead materially cut.

These two companies together produced more than half of British Columbia's salmon pack last year. United, they would be in a position to increase greatly the tendency toward voluntary co-operation to work with the fishery authorities on conservation measures.

Will Aid Agreement

As announced a short time ago by The Financial Post, over 90 per cent. of the packing industry on the British Columbia coast entered into a voluntary agreement for a period of three years as to the areas to be fished, number of licenses to be issued, equipment to be used, etc. In this way it is hoped to avoid the killing competition of other years.

This measure in itself is one of the greatest forward steps ever taken by the British Columbia salmon packing industry. It means the saving of several hundred thousand dollars to the companies concerned and, more or less, puts the industry on a sound footing.

The latest development, however, indicates that there was likelihood of some trouble in enforcing this voluntary agreement and that by consolidating the leading companies, the smaller concerns will have to fall in line in living up to the agreement. Whether or not this is one of the motives behind the proposed merger of Gosse and B. C. Fish, the fusion of the two companies would undoubtedly effect numerous economies and greatly strengthen the position of the shareholders in these two enterprises.

Losses Have Been Heavy

Both companies have suffered financial reverses as a result of the Federal Government imposition of stringent regulations on fishing last season. Gosse lost approximately $225,000 on the year's operations and B. C. Fish's are said to be even greater.

At the present time B. C. Fishing and Packing Company has a capital set up of $2,490,200 cumulative preferred stock and 96,608 no par common shares. The preferred is selling far below its par value of $100, while the common has held around $8 a share. Gosse's capital set up includes $1,500,000 preferred and 20,000 shares of no par common. The preferred is now in the hands of comparatively few, while there is no active market for the common.

On the present market value, these companies have an investment of roughly $4,000,000.

Added interest is given to rumors in connection with this consolidation, by the statement that Crosse and Blackwell would be linked up with it, possibly as a distributing agent. A. D. Menzies, managing director, denies that Crosse and Blackwell are interested. He states that the problem of the B. C. companies is one of fishing and not distribution. It may be noted here that Crosse and Blackwell have operated for many years a salmon canning plant on the British Columbia coast.

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Insiders Valuate Famous Players' New Shares at $25

Second Preferred to Take Two New Shares in Lieu of $50

SELLS OUT OF LINE?

Second Preferred Held by Interests Close to Company —Indicates Present Stock Value

From Our Own Correspondent

MONTREAL.—In changing hands in the 90's, Famous Players common appears to be out of line. Here is the reason: The second preference shares of the company in the forthcoming capital reconstruction are to receive two new shares of common for each share of preferred. The new common stock will liquidate the $50 per share of dividend arrears on the second preferred.

As insiders hold the second preferred, it is evident that they figure that two new no par value common shares of Famous Players will be equal to $50 at least. This gives a minimum indicated value to the new common stock of $25 per share. As the present common stock is to be split four for one, it is obvious that the holders of the second preference shares of the corporation value the present common stock at at least $100 a share. At the end of this month the shareholders of the Famous Players Canadian Corporation gather in Toronto at a special general meeting to recapitalize the company. Reflecting the new capitalization the common rose several points this week—from the 80's to the 90's.

New Capital Structure

When the capital re-vamping is completed, the outstanding capitalizations will compare as follows:

Present Outstanding Capital

6½ per cent bonds	$1,116,000
1st preferred, $100 par	4,200,900
2nd preferred, $100 par	1,000,000
Common, $100 par	7,500,000

New Capitalization

6 per cent. bonds	$5,000,000
6½ per cent. debentures	3,000,000
Common, no par value	320,000 shs.

Steps in Recapitalization

The various steps in the recapitalization will include calling the presently outstanding 6½ per cent. bonds and the first and second preferred issues. The preference shares are callable at 105. The common stock will then be split and each shareholder will receive four new no par value common shares for every share presently outstanding. The present common shareholders will hold 300,000 shares of the new no par value common. The additional outstanding 20,000 shares of no par value common will be given to the holders of the present second preferred in lieu of their $50 per share dividend arrears.

Fixed Charges Not Larger

As the present preferred issue bears interest at 8 per cent., the recapitalization means that the company will obtain almost an additional $1,000,000 in working capital with no increase in the annual disbursement necessary for fixed charges and preferred dividends. In other words, the interest charges on the new bonds and debentures are equal to the annual interest charges on the old bonds plus the dividend requirements of the first and second preference shares.

Insiders Valuation

In addition to the fact that the insiders in the company apparently value the new no par value common stock at $25 a share, the earnings of the corporation also indicate the stock should change hands at $25 a share.

An examination of the income account last year reveals earnings applicable to the common stock of about $727,000 after making allowance for all dividends on the second preference stock. As interest charges in future will be no greater than in the past, earnings for the current year which ends August 27 next, should be at least equal to $850,000 applicable to the new issue of 320,000 shares of no par value common stock.

There can be little doubt that earnings of the corporation this year will show an increase over 1927, because Famous Players has expanded and in the last fiscal year its property account increased by more than $1,300,000. The corporation has pursued a steady policy of expansion and the results of this policy over the past seven years are just beginning to be evidenced in its income account. Hence, increased earnings can be expected.

On an Earnings Basis

Earnings of $850,000 then, applicable to the common shares, are equal to over $2.60 a share. At the present time it is taken for granted that common stocks sell at least at ten times the level of their earning power, which with Famous Players gives an indicated market value to the stock of something in excess of $25 a share.

Famous Players common has experienced such a substantial rise in recent months that it may be a long while before the shares will sell in line with other comparable securities, as no doubt many shares will come on the market from holders who have long awaited an appreciation.

In the meantime, the company is doing a better business and is from time to time increasing its holdings of theatres. The investment picture of the company is the stronger, as it in reality represents the motion picture trust in this country. However, the common shares must still be included in the businessman's speculation class.

Canada Produces Third of Newsprint

From Our Own Correspondent

MONTREAL.—While Canada is well in the lead of the United States as a producer of newsprint, yet the Dominion still produces less than a third of the total world production of newsprint paper. In 1927 Canada produced 2,086,949 tons as against a world production estimated at 6,424,00.

H.-E. SECURITIES ANNOUNCE PLAN OF ORGANIZATION

Capital Set-Up; Directorate and Holdings Available to Investor

From Our Own Correspondent

MONTREAL.—Definite word regarding the directors and the set-up of the Hydro-Electric Securities Corporation has been made available to Canadian investors this week, and gives assurance that this international corporation justifies the interest that has been taken in it lately in Canada. The shares have been traded in lately on the Montreal Curb market, and have advanced from 50 to 65 in a little over a week.

Canadian interest is centred in the company on account of the Canadian directors who are Andrew P. Holt, G. H. Montgomery and J. S. Norris. In addition, its American investments are under the guidance of the American General Electric group, and its international flavor may be judged by the fact that the special committee in charge of investments consists of Alfred Lowenstein, president of International Holdings Company; Albert Pam of Schroder & Company; and F. A. Szarvasy of the British, Foreign and Colonial Corporation.

Listed Abroad Also

The company has a Canadian incorporation and its shares are listed in London and Brussels, in addition to the Montreal Curb Market. The company invests its capital in public utilities and hydro-electric power developments in various parts of the world, and already these include such companies as the North American Company; Middle West Utilities; Buffalo and Niagara and Eastern Power Company; Rio Tramways; Columbia Gas; Barcelona participating preferred; and Sidro, which controls the Barcelona Company; Mexican Tramway Company and Mexican Light and Power Company.

The capital set-up is as follows and its assets as of February 21, 1928, amounted to $22.700,000.

	Authorized	Issued
5% Bonds	$50,000,000	....
5% Class "A" cumulative participating preferred stock in shares of $100 each	30,000,000	....
5% Class "B" cumulative participating preferred stock in shares of $10 each	20,000,000	$20,000,000
Common stock (without nominal or par value) shares	2,000,000	x420,838

xSince largely increased through operations.

The history of the company so far is that the $20,000,000 five per cent. participating "B" preference stock was all sold in London and on the continent and has been syndicated for three years. The common has been placed at various prices and at the time of its listing in Canada proceeds from this amounted to over $6,000,000. However, large options have been given at lower prices and as a result of its recent strength it is expected that these options will be exercised and the amount of common stock now outstanding much increased.

The complete directorate is as follows: Alfred Lowenstein, Brussels; G. H. Montgomery, Montreal; C. L. Fisher; Count E. De Henricourt de Grunne; Andrew P. Holt, London; F. Maillot, Paris; S. J. Norris, Montreal; Albert Pam, London; Dr. H. F. Parshall, London; Count R. Van Der Straten Ponthoz; Henri Wauters, Brussels; F. A. Szarvasy, London.

Mitchell's Rise Amply Justified by Operations

From Our Own Correspondent

MONTREAL.—The shares of J. S. Mitchell have experienced a major appreciation. In one day the stock sold up nine points from 46 to 55. The rise in the stock since the beginning of the year, during which time The Financial Post has continuously pointed out the exceedingly attractive speculative features of the shares, has been substantial. Less than three months ago, it changed hands at around 30.

While present prices represent a large increase in the market's valuation of the company, yet those with a knowledge of the operations of J. S. Mitchell & Company feel that present prices are anything but exorbitant and correspond well with the price levels of other comparable securities. Indeed, the stock may still be below its intrinsic value.

In the meantime the company continues to make progress. It is understood that the results for the current year have been eminently satisfactory.

N. Y. FACTORY WESTON PLAN FOR BISCUITS

Canadian Company Will Get Common Stock For Name

FEAR TARIFF CHANGE

Good Volume of Business Achieved Over Existing Duty of 30% on Baked Goods

It is announced officially that a factory will be established in the vicinity of New York City for the purpose of manufacturing Weston biscuits. The Canadian firm of George Weston, Ltd., will receive a block of common stock in the United States company in return for the Weston business that has been developed there, and for the use of Weston recipes and name. The Canadian company will not put up any cash in establishing the United States business. It is understood that backing of substantial Canadian interests has been obtained.

George Weston, Ltd., became a public company about a month ago when $500,000 of 7 per cent. preferred stock and 25,000 shares of common of no-par value were offered by an investment banker. The preferred was offered at par and purchase of each preferred share carried with it the right to buy two shares of common at $30 the share.

Common Stock Rises

The common stock, with the preferred traded on the Toronto Stock Exchange, has had a spectacular rise, currently selling at around 65. This places a total valuation of $1,625,000 on the outstanding common shares and a valuation on the business of $2,125,000. Total assets were shown at $912,833, exclusive of goodwill. Profits in 1927, after depreciation and other charges, were shown at $86,594, which is equivalent to $2.06 on the common shares after preferred dividends.

The United States business of the company has been of recent growth. The goods are said to have found a ready market wherever offered, and the prospects of continued growth, and the possibility that there might be an unfavorable change in the United States tariff, led to the decision to establish a factory across the border. The present duty is 30 per cent. and it is reported that the biscuits have [illegible] commanding double the Canadian retail price in New York, Boston and elsewhere.

Sales Volume Mounts

Canadian business is being aggressively sought, and it is said that the factory at Toronto is being operated to capacity. About 50 per cent. of the production is on one package which is distributed through independent retailers, one chain store and from the 75 wagons of the Weston baking business. The bread business is owned and operated by Garfield Weston, president of George Weston, Ltd., and associates, as a separate business, but George Weston, Ltd., sells biscuits to the bread concern. Flour and certain other materials are bought jointly by the two companies.

The Toronto factory of George Weston, Ltd., recently has been enlarged. It is said to be equipped with modern English machinery and some which has been constructed especially for this concern. The English process for producing quality biscuits is carried out and this, in conjunction with aggressive marketing, has resulted in a growth in the volume. It is said that January and February, usually less active months in this business, show a substantial increase over a year ago.

The factory of the United States company will be equipped with English machinery.

GENERAL TRUST CHANGES CAPITAL AND MANAGEMENT

Important Announcement Regarding Directorate Expected Soon

From Our Own Correspondent

MONTREAL.—A change of name and of management, and an increase in its capital stock is now underway for the trust company formerly known as Credite General du Canada. This company has been under the control in a small way of the Banque Canadian Nationale for some time, but important changes are pending, which will probably place it in the front rank among French-Canadian trust companies.

The name of the company will in future be Trust Generale du Canada, which will be the official title although in English it will still be called The General Trust of Canada.

The amount of authorized capital which now stands at $200,000 will be increased to $2,000,000 and the amount of subscribed and paid-up capital which is now $38,500, will be increased to $1,100,000 of which $550,000 will be fully paid up.

The new manager who has come from St. Hyacinthe to take charge of the reorganized company is Rene Morin, M. P., who leaves a legal practice in St. Hyacinthe to assume the new duties. It is also understood that a press announcement concerning the new directorate is to be made within the next few days, and that a number of outstanding French-Canadian financiers will be included on the new board.

Vancouver's bank clearings showed a substantial increase over the previous year. In 1927 they were $925,000,000, compared to $888,500,000 in 1926.

MACKAY HOLDERS GIVEN 4½% BONDS FOR PREF. STOCK

While Common Shareholders Receive Stock in New Company

Close upon the heels of the recent announcement that the Mackay Companies had finally completed the rounding out of their world-encircling communications system, comes the further announcement that a huge communication company merger, taking in all the Mackay interests in cable, telegraph, telephone, and radio and the twenty-six odd companies of the huge International Telephone and Telegraph Corporation, has been practically consummated. The new merger company will have assets of $225,000,000 and cable telegraph, and telephone lines more than 125,000 miles long, with excellent radio facilities and patents.

The merger-company will control wire and wireless communication in all parts of the world, and literally engirdles the globe. The International Telephone and Telegraph Corporation operates telephone and telegraph lines in both the eastern and western hemispheres; practically controls communications in South America, and owns strong working companies in Spain and continental countries.

Cover Two-thirds of World

The Mackay Companies own cable and telegraph services which extend nearly two-thirds the distance around the world; and recently to round out their communication system acquired the radio telegraph system of the Federal Telegraph Company, which is under contract to turn out for Mackay the latest type of wireless transmitting equipment, including the "beam" or short wave stations which can be profitably operated as auxiliary to the more reliable and and also more expensive cable lines. Regarding this development, President Clarence H. Mackay recently said:

"Your trustees believe that the maximum efficiency in public communication service will be only attained by co-ordinating communication by telegraph, cable and radio, which includes facsimile and photo-electric transmission. Combining all these services under one direction must obviously make for an efficiency and continuity of service, which radio operated by itself cannot possibly give, and your organization under the arrangements outlined heretofore should be in a position to render to the public this ideal combination of the services."

Exchange of Bonds

The basis upon which the International Telephone and Telegraph-Mackay Companies merger is said to be going forward is an exchange of one bond of the new company, International Communications, for every Mackay preferred share. The latter, which pays 4 per cent., closed at 83 to-day. The bonds exchanged for it will probably carry a 4½ per cent. coupon and sell at a slight discount. Each four Mackay shares will receive three International Communications 7 per cent., non-cumulative, non-voting preferred shares and one common share in the present capital structure of International Telephone and Telegraph.

CANNERS CHAIRMAN DEFENDS POLICIES

Liberal Allowances for Depreciation Necessary, Say Company Officials

Mark Bredin, presiding this week over the fifth annual meeting of Canadian Canners, emphasized the importance of providing liberal depreciation allowances from year to year. He pointed out that many of the company's plants, because of the nature of their product, were operated only three or four months of the year, and that plants running on this partial basis depreciated far more rapidly than plants continuously operated. It requires a very heavy depreciation, he said; so that a reserve should be built up to a point where it will take care of the worst that might happen. He added that as time goes on some reduction might be made in the amount set aside for this purpose.

Concerning dividends, Mr. Bredin said in part:

"As a result of the rearrangement of the capital structure of your company, the dividend on preference stock has been increased slightly, but in addition you hold stock or shares in the company worth about $40 per share more than in March, 1927, this clearly taking care of the deferred dividend, and the holders of common stock were taken care of in the same manner."

Avern Pardoe, of Toronto, succeeds J. J. Nairn as president of the company, and Mark Bredin is chairman and vice-president. The other directors elected are: Arthur Allan, C. E. Innes, R. L. Innes, W. L. Innes, Lt.-Col. W. G. McKendrick, W. G. Lumbers, E. A. Pearce and H. C. Scholfield.

UNION TRUST CO. EARNINGS LARGER

Company in Strong Position with Assets Also Showing Increase

Moderate increases in earnings and assets are the chief features of the Union Trust annual report for the year ended December 31st, last. Profits after cost of management, etc., totalled $127,488 against $120,039 in the previous year; and net profits after taxes and sums written off amounted to $107,883 or 10.78 per cent. on capital against $101,082, or 10.1 per cent., last year.

Total assets are up from $14,289,143 to $14,394,857.

Comparative earnings figures follow:

Fifteen Year Record
Rate of Earnings

Year	Paid-up Capital	xProfits	Earned p.c.	Div.
1913	$1,000,000	$209,794	20.1	10
1914	1,000,000	162,075	16.2	10
1915	1,000,000	154,524	15.5	10
1916	1,000,000	125,195	12.5	10
1917	1,000,000	91,937	9.1	9
1918	1,000,000	98,363	9.8	7
1919	1,000,000	102,603	10.2	7
1920	1,000,000	90,166	9.0	7
1921	1,000,000	90,230	9.0	7
1922	1,000,000	95,773	9.5	7
1923	1,000,000	92,166	9.2	7
1924	1,000,000	93,863	9.3	7
1925	1,000,000	98,619	9.8	7
1926	1,000,000	101,082	10.1	7
1927	1,000,000	107,883	10.7	7+1

xTaxes and amount written off deducted.

Montreal Ironworkers Plan Public Financing

One of the best known and most prominent architectural cast iron and bronze companies in the Dominion, The Robt. Mitchell Co., Ltd., of Montreal, will shortly undertake public financing. A Toronto house is handling the issue, which is said to be for $500,000, of cumulative convertible preferred stock.

This company has been in business for 77 years, having been founded in 1851 by Robt. Mitchell, a Scottish iron worker who had emigrated to Canada a few years before. Since that time the company has been under the direct control of the Mitchell family.

In time its operations extended from cast iron to bronze and other metals. The quality of its work is recognized not only within the Dominion, but in other countries as well. Large contracts have been filled for the Chateau Frontenac, Sun Life Assurance Co., Eaton's, Royal Bank of Canada, Bank of Montreal, Parliament buildings at Ottawa, Mount Royal Hotel, etc.

It is understood that proceeds from the proposed financing will be used for corporate purposes, such as enlarging the present plant in Montreal and creating better facilities for handling a larger volume of business.

DESPITE DENIALS, OTTAWA IS AFTER RECIPROCITY PACT

Effectively Linked, Though Indirectly, with St. Lawrence

From Our Own Correspondent

OTTAWA.—Despite Mr. King's semi-denials, the Federal government, apparently, is desirous of renewing the effort, which culminated seventeen years ago in political disaster to the Laurier administration, for a measure of reciprocity covering the natural products of Canada.

The government is seeking to achieve this end by taking advantage of the well-known desire of the United States government to obtain early action on the Greater St. Lawrence Waterways.

Something of the contents of the note which the Canadian government addressed to Washington was revealed in a recent issue of The Financial Post and while, owing to the secrecy which is being imposed, it is not possible to see the documents, there is good reason to suppose that the Canadian government has gone rather farther than the previous dispatches to The Post stated.

No Export of Power

In framing the first note, the Federal government first of all laid down the principle that there must be no exportation of power. Unless the United States government was prepared to concede this point in advance, then negotiations could not take place. Further than this, the Canadian government indicated, although there is reason to believe it did not discuss it in the same note, that prior to the St. Lawrence negotiations, there were several important matters which ought to be cleared up. These matters were enumerated as follows:

1. The United States government should reduce the tariff on wheat, livestock, fish, potatoes and a number of other primary products. Also, the Chicago drainage diversion should be stopped.

There may have been some other points raised, but these, it is believed, were the most important.

In due course, a reply was received from Washington and this reply has occasioned considerable secret jubilation among Canadian cabinet ministers. The Washington government, it is said, states that there is no reason why the various preliminary matters such as tariff and Chicago drainage should not be negotiated at any time. In regard to exportation of power, the Washington government conceded the point without question.

Find Basis of Negotiation

So far the Canadian government has not answered this note. Quite obviously the next step will be to arrange for a method of negotiation and to decide which points are to be gone into immediately and which are to be held back for a little time. There really appears to be very little of importance in the statement by the Washington government that the Republic is prepared to open negotiations in regard to the tariff on various natural products. Most all reasonable governments are always ready to talk about these things. It may be doubted, however, if Washington is willing to make any worthwhile concessions.

WINNIPEG ELECTRIC TO GET POWER SITE

Agreement Reached with Provincial Government on Seven Sisters Site

From Our Own Correspondent

MONTREAL.—It is understood that Winnipeg Electric has reached an agreement with the Manitoba government whereby the company is to obtain and to develop the valuable Seven Sisters Falls power site on the Winnipeg River.

Had the government decided to undertake the project, it would have meant that the company would have obtained large payments from the province to offset the expropriations necessary to the undertaking.

According to a Winnipeg despatch, Dr. Hogg, chief hydraulic engineer of the Ontario Hydro-Electric system, reported that the development of the Seven Sisters' Falls by the Manitoba government would be economically unsound, and advises the province to make a contract for what power it requires.

This evidently indicates that Winnipeg Electric will be awarded this power site. In fact the company is rushing preparations for developing it. This development is likely to have a very important constructive effect on the future of the company, although, of course, it will be some time before it will find reflection in its earnings.

Alberta Withdraws Unpopular Debt Bill

From Our Own Correspondent

EDMONTON.—The new Debt Adjustment Act, which caused such a furore amongst large lenders of money to Alberta farmers, has been withdrawn from circulation, and will not make its appearance again this session. While the Premier states that he believes the act was greatly misunderstood and too much attention paid to details such as the right to appeal and notice to creditors, the government is willing to lay this bill over until next session. In the meantime, after the house adjourns, the situation will be thoroughly canvassed; and the co-operation of the loan companies is asked in order that false impressions regarding Alberta loan conditions may be dissipated.

Lumber exports from B.C. ports for 1927 amounted to nearly 875,000,000 feet; in 1926, 873,000,000 feet, a slight increase.

ASSET ANALYSIS OF BANK POSITION IS CHALLENGED

Banker Disagrees with Conclusions of C. W. Scott

A high official in one of the banks wrote to The Financial Past some interesting comments on C. W. Scott's annual tabular analysis of Canadian bank statements. Mr. Scott's figures appeared in the March 2 issue, under the heading "Putting Bank Reports Under the Microscope." The banking man comments as follows:

"The figures shown are interesting enough, but several of them have practically no meaning and are, in fact, apt to be misleading to one not accustomed to the study of such statements. Exception is not taken to the tabulation of the rates of profit on capital, the ratio of quick assets to liabilities and the book value of the shares, but the others, namely: "Profit to Capital, Reserve and Profit and Loss, Deposits to Dollar of Capital, and Bank Premises to Capital, are of little or no value.

Real Earning Power

"The percentage of profits to Capital, Reserve and Profit and Loss, conveys no useful information. It is not a dependable measure of a bank's earning power because it is affected by the ratio of capital investment to total assets, perhaps to a greater extent than by capital earnings. A moments' reflection will demonstrate this. One of our largest banks has one dollar of capital (by which we mean Capital, Reserve and Undivided Profits) for $12.60 of other liabilities. In other words, $13.60 are employed in that business for the benefit of one. Another bank which shows a much better capital ratio of one to $7.70 has only $8.70 employed for the benefit of one. Naturally the first mentioned institution shows a higher rate of earnings on Capital, Reserve and Undivided Profits, but as a matter of fact the earning power of the second institution is considerably greater. The true measure of a bank's earning power is profits in relation to earning assets, that is, loans and investments. It is from the latter than a bank's profits are derived, and the earning ratio is best expressed in relation thereto. On this basis the earning power of the bank first referred to above is .835 per cent., while that of the second is 1.21 per cent.—quite a different showing than that set out in your tabulation.

"Similarly, the ratio of deposits to capital is apt to be misleading. They do show somewhat the ratio of capital investment mentioned above, but the larger the amount of deposits to capital the less desirable is the position from the depositors' standpoint.

"Also, the tabulation of the percentage of bank premises to capital is of little or no value. In the first place Mr. Scott has used capital only rather than the total shareholders' investment, namely: Capital, Reserve and Undivided Profits, and secondly and more important, he has not taken into consideration the fact that a great deal of the investment of certain of the larger banks in premises is held by subsidiary holding companies and does not show in their Bank Premises Accounts."

Randolph Hotel Starts to Operate Successfully

From Our Own Correspondent

MONTREAL.—The Hotel LaSalle, at Kingston, Ontario, which is owned and operated by the Randolph Hotel Company, began operations on January 10. The initial period of operations has been satisfactory; it is understood that its current earnings are being maintained at a rate equivalent to four times the annual interest charges on the bond issue. The hotel fills a long felt want in the city.

At present 100 rooms are being operated. By May 1, next, some additions will be completed, and the hotel will then consist of around 125 rooms and six stores on the ground floor, which have all been rented. No statement of earnings is yet available, but it is understood that they exceed the original estimates.

The management of the hotel is in the hands of H. W. Dean, who until recently was one of the assistant managers of the Mount Royal Hotel, Montreal.

On May 1, next, when the hotel will be entirely completed, the property will have a conservative value, according to appraisals, which have been made, of $550,000. As there are only $250,000 first mortgage bonds outstanding, the mortgage is for less than 46 per cent. of the total value of the property.

The city of Kingston has granted the company a special concession in taxation over a period of ten years. The hotel will only pay on an assessed value of $50,000 for this period.

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HAYES WHEELS EARNINGS GOOD DESPITE SETBACK

Plans Adopted to Make Firm Less Dependent on Automotive Trade

Despite unsettled conditions in the automotive trade, Hayes Wheels and Forgings were able to present a report to its shareholders which, on the whole, was eminently satisfactory.

Profit from operations and other income, after providing for all manufacturing, selling and administrative expenses, totaled $346,923. This compares with $439,107 in 1926; $369,434 in 1925; and $224,256 in 1924.

An amount of $121,917 has been set up for depreciation of plant and equipment. Bond interest up to the end of the year has been charged in the amount of $38,110 and dividends on preferred stock during the same period totaled $33,541. After deducting these charges an amount of $153,353 remains, subject to income tax, or equal to better than $3 a share on the 50,000 common shares outstanding.

Working Capital Up

The consolidated balance sheet of the company shows current assets of $1,085,481 and current liabilities of $227,401, or a ratio of approximately five to one. Investments in other companies now total $65,619 and expenditures on the Stockport, Eng., plant $190,745. Fixed assets amount to $1,446,624 and deferred charges $54,670. The profit and loss account now stands at $831,750.

This showing is considered as exceptionally good in view of the many handicaps which the company suffered last year. Sales were not as great as anticipated and manufacturers of light cars were operating on very low production. Consequently, during the latter half of the year, all companies supplying parts to the motor car makers were greatly hampered in their operations.

Adopt Other Lines

A great deal of effort was directed during the year to the realignment of the different plants and equipment with a view to more economical operation.

With this end in view, arrangements were made for turning over the Galt plant to the manufacture of various rubber products, utilizing as the raw material reclaimed rubber. Much of the equipment at that plant is said to be suitable for the new purpose. It is estimated that during the first year of operation about 4,000,000 pounds of reclaimed rubber will be used. Sheet rubber will be the principal product. There will also be a large number of sundries produced, but rubber tires, tubes, etc., will not be manufactured.

An arrangement has been made with the Kleinert Co., of the United States, whereby the company will manufacture that concern's rubber specialties on a cost-plus basis.

Furthermore, in the early part of this year, O. and W. McVean, Ltd., of Dresden, Ont., absorbed the business and took over the machinery of the Victoria Wheel Co., of Galt. Both of these are subsidiaries of the Canadian Hardwood Co., which is in turn a subsidiary of Hayes Wheels and Forgings. The McVean Company has also completed the placing of additional machinery and the rearrangement of its manufacturing facilities.

This subsidiary has a promising number of orders in sight for 1928 and is in excellent condition to fill them to the best advantage. The company manufactures carriage and wagon wheels, poles, shafts, automobile top bows, and miscellaneous bent goods.

Life Insurance Sales Gain 13% in Canada

A total of $40,290,000 of ordinary life insurance was purchased in Canada during the month of February—a gain of 13 per cent. over sales last February. The fact that 80 per cent. of contributing companies share in the above gain indicates general prosperity. These figures are furnished by the Life Insurance Sales Research Bureau and represent the experience of companies having in force 84 per cent. of the total legal reserve ordinary life insurance outstanding in the Dominion of Canada.

The monthly gain is well distributed throughout the Dominion, all provinces sharing the country's gain. Substantial increases are recorded ranging from 8 per cent. in Saskatchewan and Manitoba to 38 per cent. in Newfoundland. Prince Edward Island gained 27 per cent. over last February.

For the first two months of 1928, production shows a 21 per cent. gain over the 1927 record. All provinces share this increase showing substantial gains. Newfoundland gained 56 per cent. over the first two months last year, while New Brunswick and Saskatchewan increased 38 per cent. and 30 per cent., respectively.

The record for the twelve months just ended amounts to an increase of 9 per cent. over the preceding twelve months. Saskatchewan shows a slight loss for this period but gains are noted in all the other provinces. Quebec and Alberta lead with 11 per cent. increases while Ontario, New Brunswick and Prince Edward Island report production 10 per cent. better than that for the same period last year.

Most of the cities show improved conditions. Montreal leads with a gain of 32 per cent. over February, 1927. Ottawa follows with an increase of 28 per cent. For the first two months of this year, Montreal and Hamilton lead with gains of 35 per cent. and 23 per cent. respectively. Ottawa and Vancouver show the only losses.

Bond Notices

All of its six per cent. first mortgage bonds will be redeemed on April 2, 1928, by the Charlottetown Electric Co., at the Royal Trust Co., at Halifax, on the basis of 105.

BOND REDEMPTIONS

	Rate	Due	Redeem.	Price
Shawinigan "D"	5½%	1954	Apr. 1	105
Do., "E"	5%	1955	Apr. 1	105
Pt. A. Pulp "B"	6½%	1943	Apr. 1	104½
Canada Cement (Old company)	6%	1929	Mar. 31	110
Donnacona Pap.	6%	1940	Apr. 17	105
Donnacona Pap. (Deb. B.C.D. & E.)	6%	1927	Mar. 19	102
United Grain Growers	6%	1940	July 1	105
Span. Riv. P.&P. (Series "A")	8%	1941	May 1	106
St. Fra. W.P.Co.	6½%	1929	June 1	102
St. Fran. W.P.Co.	7%	1930	Aug. 1	102
St. Maur. Pr.	6½%	1953	Aug. 1	107½
Beauharnois Elec.	5%	1942	Sept. 1	105
York St. Bldgs.	6½%	1940	Apr. 1	103
G. N. Pr. Corp. (Series "A")	6%	....	May 1	102½

H. SIMON SHARES OFFERED PUBLICLY

Preferred Has Popular Convertible Features—Common Sold Also

From Our Own Correspondent

MONTREAL.—The shares of another tobacco company made their bow this week to Canadian investors, in the form of an offering of the preferred and common shares of H. Simon & Sons, which is exclusively engaged in manufacturing hand-made cigars. The business was established originally in Whitby, Ontario and later moved to Montreal. In 1902 the annual production was 2,000,000 cigars; the present production exceeds 17,000,000 cigars.

The particular of the offering follow.

$1,000,000 H. Simon and Son, Limited
7% Cumulative, Sinking Fund, Convertible Preferred Stock

Capitalization:

	Authorized	Issued
7% pref. stock ..	$1,000,000	$1,000,000
Common (n.p.v.)	*50,000 shs.	30,000 shs.

*Including 20,000 shares authorized for the conversion of preferred shares.

The letters patent of the company provide that no dividend may be paid on the common stock which would reduce net current assets below 110% of the amount of preferred stock then outstanding.

The Company: Produces a wide range of well-known, hand-made cigars.

Equipment: Occupies 40,000 square feet of floor space in a modern, well-located building in Montreal.

Earnings: After all charges, never less than 2.4 times the preferred dividend requirements in the past five years. In last five years, earnings on present common stock have averaged $4.67 per share.

Assets: Depreciated value of equipment is $81,685. Net current assets are now in excess of the total amount of preferred stock.

Sinking Fund: Ten per cent. of the net earnings after all charges will be set aside to redeem the preferred.

Management: Will continue to be operated by those responsible for the growth of the business.

Offered: March, 1927, by Greenshields & Company and Flood, Barnes & Company. The preferred offered at par. A limited amount of common offered at $35 per share.

N. B. LUMBER CUT SHOWS NO CHANGE

Salvaging of "Dead" Wood Assumes Importance in Operations

Cut of lumber on the crown lands of New Brunswick for the current year is estimated at approximately 252 million feet, according to a report issued by the Department of Lands and Mines.

This estimate is practically identical with the actual cut for the winter of 1926-1927 when the scale totalled 252,766,396 feet, or 23 million feet more than the estimates, and 20 million feet less than the cut of the previous year. The estimate for the current year is based on reports received up to January 31st, which include some 60,000 cords of burnt pulpwood being salvaged in Restigouche County from areas burned in 1923, and 114,000 railway ties, both of which are greater than last year.

Salvaging Operations Big

It is pointed out in connection with the 1927 lumber cut, that during the past six years 362 million feet of dead wood have been salvaged from the Crown Lands of the province, and that immense quantities of fire killed wood from the serious fires of 1923 still remain to be salvaged as a result of which further inducements have been made to encourage the cutting of fire killed wood, especially for pulpwood. He points to the increase in the production of railway ties, the number the past year from the Crown Lands of the province being 127,016, as compared with 76,000 the preceding year, and this does not include ties sawn at mills.

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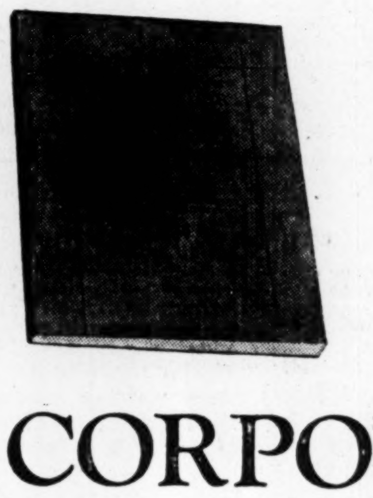

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POSITION STRONG

Company's Working Capital Stands at $9,400,000—Plants Are Being Written Down

An increase of more than 55 per cent. in earnings, substantial improvement in the company's liquid condition; and enlarged and improved manufacturing facilities—these are the features of the annual report of the Canadian General Electric Company for the calendar year 1927.

Gross profits of the company after reserves and taxes totalled $2,903,053 against $1,870,618 in previous year, a gain of $1,032,435 or 55 per cent. After allowing $800,000 for depreciation against $700,000 in 1926, and distributing $599,042 in preferred dividends, there remained a balance of $1,504,011 against $571,556 in 1926. There was set aside for adjustment of plant valuations the sum of $1,352,888 compared with $497,139; and balance transferred to surplus account amounted to $151,123.

INCOME AND SURPLUS ACCOUNT
Years Ending Dec. 31

	1927 $	1926 $	1925 $
Net earnings	2,903,053	1,870,618	1,617,093
Less:			
Depreciation	800,000	700,000	600,000
Interest, etc.	......	......	83,341
Prem. on debs.	......	......	375,000
Adjust. plant val.	1,352,888	497,139	......
	2,152,888	1,197,139	1,058,341
Balance	750,165	673,479	558,752
Pref. dividends	599,042	599,042	553,542
Surplus for year	151,123	74,437	5,210
Prev. surplus	2,823,751	2,749,315	2,744,105
Bal. carr. for'd.	2,974,874	2,823,752	2,749,315

The amount available per share on the common stock was only about 16 cents per share. But the earning power demonstrated during the year was much higher. If the adjustment in plant valuation be excluded, earnings per share were about $16 a share as against $6 last year.

Liquid Position Improved

The liquid position of the company was considerably improved during the year, total current assets increasing by $1,786,302 to $11,072,174, while total current liabilities slightly decreased to $1,662,669. Cash and Dominion Government bonds more than doubled, up from $1,4337,245 to $3,145,486; and excess of total current assets over current liabilities increased $1,791,844 to $9,409,505. Ratio of current assets to current liabilities has increased from 5.6-1 to 6.6-1.

Some $2,000,000 formerly carried as general reserve and the further sum of $1,352,888 appropriated from 1927 profits has been applied in writing down the book value of plants; and capital assets are reduced $3,155,653 despite the substantial additions to plant and equipment made during the year.

Explaining this move, on the part of the directors, A. E. Dyment, chairman, and D. C. Durland, president, say:

"A decrease in capital assets is shown in the balance sheet. This is due to applying the $2,000,000.00 formerly carried as a general reserve and an additional sum of $1,352,888.52 appropriated from 1927 operating profits against the book value of the plants. After these adjustments the appreciation in plant values taken into the accounts in 1921 is entirely eliminated.

"The electrical manufacturing industry being highly technical and rapidly developing, requires much special machinery and equipment, as well as appropriate building facilities, which cannot be suitably used for other purposes. The depreciation written off annually by the Company in past years has been inadequate in consideration of the proper rates of depreciation as determined by qualified experts in the electrical industry, and in order to bring the book values of the Company's plants to a basis of sound valuation of such depreciation rates it will be necessary to make still further special appropriations from future operating results for this purpose."

Improved Manufacturing Facilities

The very substantial increase in earnings is credited to improved facilities for manufacturing. During the year $819,324 was expended for additional machinery and equipment which brings the total so spent during the past four years up to $2,469,000. Salaries and wages paid during 1927 exceeded $5,500,000; and more than $11,000,000 was expended for materials, supplies and equipment.

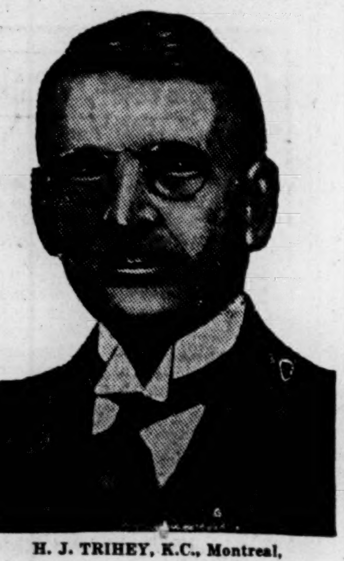
Some 53 per cent. of the company's employees availed themselves last year of the special plan and purchased 8,700 shares of the company's preferred stock; and a similar offering has recently been made on the same basis.

The company has no funded debt, notes, or other interest-bearing obligations outstanding, its outstanding securities being confined to $8,557,750 preferred and $9,442,250 common shares.

Report Wins Goodwill

The report is an excellent example of how modern corporations utilize their shareholders' statements to win goodwill and favorable attention. It is beautifully prepared and printed and besides picturing the company's plants, it gives photographs of outstanding electrical installations by the company.

New Victor Director



H. J. TRIHEY, K.C., Montreal, who has been elected to the directorate of the Victor Talking Machine Company.

CALGARY POWER SERVES RED DEER NOW WITH ENERGY

Practically Concludes Arrangement to Enter City North of Calgary

From Our Own Correspondent

CALGARY.—The latest development in connection with the Calgary Power Company is that it has now practically closed a contract with Red Deer, north of Calgary, for the supply of power. At the present time G. A. Gaherty, the manager of the company, is busily engaged in getting out orders for the material necessary in carrying out this undertaking. This contract will include the supplying of power to the towns of Crossfield, Carstairs, Didsbury, Olds, Bowden, Innisfail and Penhold and is in line with the forecast made some few weeks ago that the company was planning on extending its efforts in the northern field.

Continue Calgary Negotiations

Negotiations are still being continued between the city of Calgary and the company. It is stated on reliable authority that tenders for the power contract, which are due to close March 27 will be extended to April 27. Unabated interest is being taken in the fight that the Calgary Power Company is waging against the Canadian Western Natural Gas, Light, Heat and Power Company, now controlled by the International Utilities, for the supply of power to Calgary.

It is believed that further natural gas options have been secured by Mr. Gaherty than the ten million cubic feet mentioned recently but he is not disposed at the moment to say what these are. The Spray Lakes project, he states, has not developed any new features within the past few days and that the next move will be a conference on the question between Premier Brownlee and Hon. Charles Stewart. This may not take place until the latter part of the month as the provincial house now will not prorogue until about March 22.

FAIRBANKS-MORSE EARNINGS HIGHER; LIABILITIES LOWER

Annual Report Reveals Improving Position of Shareholders

From Our Own Correspondent

MONTREAL.—The annual report of the Canadian Fairbanks-Morse Company covering the 1927 fiscal year, coupled with the recent dividend payments on account of arrears of the preferred stock, reveals that the position of the shareholders continues to improve.

In his remarks to the shareholders, T. McMillan, the president, says that in the generally better business conditions prevailing throughout the Dominion, the company shared by increasing its sales by 12 per cent. over the preceding year and that while dividends on the preferred stock were first resumed on a quarterly basis in April, 1927, a special payment of 3 per cent. in the reduction of the arrears was made during the latter part of the year covered by the report.

The improving position of the company is revealed in the following comparison of income accounts and working capital figures over the past three years:

	1927	1926	1925
Prof. on op.	$ 461,263	$ 324,701	$ 244,010
Int., dep., etc.	87,748	82,099	102,340
Net profits	$ 373,515	$ 242,602	$ 141,669
Tax provis.	30,000	22,000	19,000
Balance	$ 343,515	$ 220,602	$ 122,669
Cancell. of stock	....	93,542	5,865
Totals	$ 343,515	$ 127,059	$ 116,804
Pref. divds.	135,000	......	
Surplus	$ 208,515	$ 127,059	$ 116,804
Prev. surplus	1,949,046	1,821,986	1,705,182
Total surp.	$2,157,561	$1,949,046	$1,821,986

Working Capital Position

	1927	1926	1925
Curr. assets	$3,141,421	$3,082,979	$2,952,939
Curr. liabs.	635,192	694,144	877,295
Work. cap.	$2,506,229	$2,388,834	$2,075,644

In the balance sheet there were no significant changes among the assets but in the liabilities, surplus account shows the increase noted in the foregoing figures and reserves have been increased during the year by $75,000. In addition, the remainder of the purchase price of the Vancouver property which appeared in the 1926 report as a mortgage of $185,000 was paid off in full during the year, thus removing the only non-current obligation prior to the company's preferred stock.

Hudson's Bay Land Sales Higher in Last Quarter

That there is a considerably greater demand for Western Canadian farm lands than has obtained for several years past, is evidenced by the financial statement of the Hudson's Bay Company for the quarter ended January 31st last. During these three months the company disposed of 99,646 acres of farm lands compared with 79,555 acres in the corresponding period a year ago, an increase of more than 20,000 acres, or nearly 26 per cent. gain. The prices obtained were also somewhat higher per acre, and total receipts from sale of these farm lands amounted to £258,000 against £199,917, an increase in revenue from this source of £58,083 or 39 per cent. Town lots sold jumped from £456 to £2,315; and total gross receipts for the quartet were up around 50 per cent., standing at £306,910 against £203,683.

For the year ended January 31, 1928, the company's sales of farm lands were slightly less in volume. some 263,628 acres selling for £663,680 against 271,281 acres at £669,825. Town lot sales brought £11,740 against £6,770; and total receipts on land accounts were £596,590 against £544,439 in 1926-27.

BESCO DEMANDS SHARE OF HELP GRANTED OTHERS

Suffers Through Overmuch Importation of Its Finished Products

From Our Own Correspondent

MONTREAL. — Besco is asking the government for a subsidy or some other assistance which will place the Nova Scotian industries on the same footing as the steel consuming industries in the Dominion. On a large proportion of the steel used in this country, the manufacturers are allowed a 99 per cent. drawback of the tariff. Hence, a large proportion of steel enters Canada duty free, or practically free. Hence, the British Empire Steel Corporation feels that, as some manufacturers obtain their steel without paying duty, the Nova Scotia steel industry is entitled to a bonus proportional to the benefits obtained by these industries through the free importation of steel.

Ultimately Some Action?

The opinion seems to be that the government will take some action on the suggestion. How soon such legislation can be anticipated is problematical. In the meantime, there seems little reason to doubt that there will be no reorganization formulated until Besco receives some assistance more commensurate with the assistance granted many other less fundamental industries by the Dominion Government.

Due to the strength of the new interests in the Besco pictures, the shares of the corporation have again come in for their meed of attention on the market. There are so many factors involved in the Besco situation that it is impossible to indicate whether or not present price of Besco securities and the securities of its component companies is discounting more than fully the entry of the Sir Herbert S. Holt interests into the picture. There is no doubt though that the new interests will put the industries themselves on a better basis.

Many Involved Factors

Some of the factors surrounding the Besco securities include the possibility, or probability, of government action, the unstrategic location of the steel plants which are far remote from the markets of central Canada, the possibility of further labor trouble, the ultimate fate of the Dominion Iron now been operated by the receiver, and the demand for iron ore in European markets where Besco sells a large tonnage.

At the moment it seems probable that the coal industries in Nova Scotia may be afforded a better rail rate to points in the St. Lawrence valley. The legislation, it is expected, will be formulated along the lines of that which is to allow test shipments of coal from Alberta to Ontario. Coal from Alberta is to move into Ontario under a new rate under the supervision of the Board of Railway Commissioners. It is hoped that once such a rate is in effect the movement of coal will be such that it may be moved without an operating loss to the railways. Something similar in the way of trial railway rates is expected for Nova Scotia. The coal industry there has long been handicapped as during the winter months the large coal markets of the St. Lawrence valley have been closed to the coal producers. During the summer, low cost shipments can be made by water.

Bridge Companies to Have Prosperous Year

From Our Own Correspondent

MONTREAL. — Dominion Bridge, Canadian Vickers, Hamilton Bridge and all the other Canadian construction companies are apparently to have a prosperous year in 1928 if the value of building permits issued during the first two months of the year provides any index of how constructional activity will prevail throughout the whole twelve months.

Building permits issued in January and February show large increases over the corresponding period of a year ago. The earnings of companies engaged in the steel fabrication business, as well as the actual construction companies, depend largely on the level of constructional activities throughout the Dominion.

The Dominion Bureau of Statistics in its latest report shows the value of building permits issued during the first two months of the year as compared with corresponding period in preceding years as follows:—

Value of Permits Issued

Year		In February	In first two months
1928	....	$10,323,405	$18,036,009
1927	....	7,638,176	13,314,718
1926	....	7,139,549	11,859,083
1925	....	5,902,118	11,349,388
1924	....	4,093,800	8,554,379
1923	....	5,679,571	9,819,169
1922	....	4,738,105	8,064,642
1921	....	3,683,359	6,278,923
1920	....	6,156,287	10,173,311

C.S.L. Should Get Off to Excellent Start

From Our Own Correspondent

MONTREAL.—The outlook for the opening period of the Canada Steamships navigation season is encouraging. Mild weather conditions prevail along the St. Lawrence and ice conditions indicate an unusually early opening of navigation. There is a large carry over of grain on the ships and in the elevators, hence the company should get away to a good start this spring before the usual summer slump occurs in the amount of freight available and in freight rates. During each navigation season, the company's earnings from its freight traffic vary considerably. In the spring there is freight awaiting shipment; then during the summer months the freight tonnage available declines until the grain begins to move in the autumn when the company enters the period of its greatest earning capacity.

National Distilleries' Equipment Installed

From Our Own Correspondent

MONTREAL.—The National Distilleries will have completed the installation of its equipment in its Lachine plant by April—distilling will then begin. The new distillery is to have a daily capacity of 12,000 gallons with a storage capacity of 3,500,000 gallons. Eight germinating vats with a capacity of 31,000 gallons each have been installed. The Montreal properties of the National Distilleries were acquired from the National Breweries a year ago. Since then, large alterations have been carried out to make the plant conform to modern distillery requirements. The National Distilleries also has a plant at St. Boniface, Manitoba, where scotch and rye whiskey, gin and commercial alcohols are manufactured.

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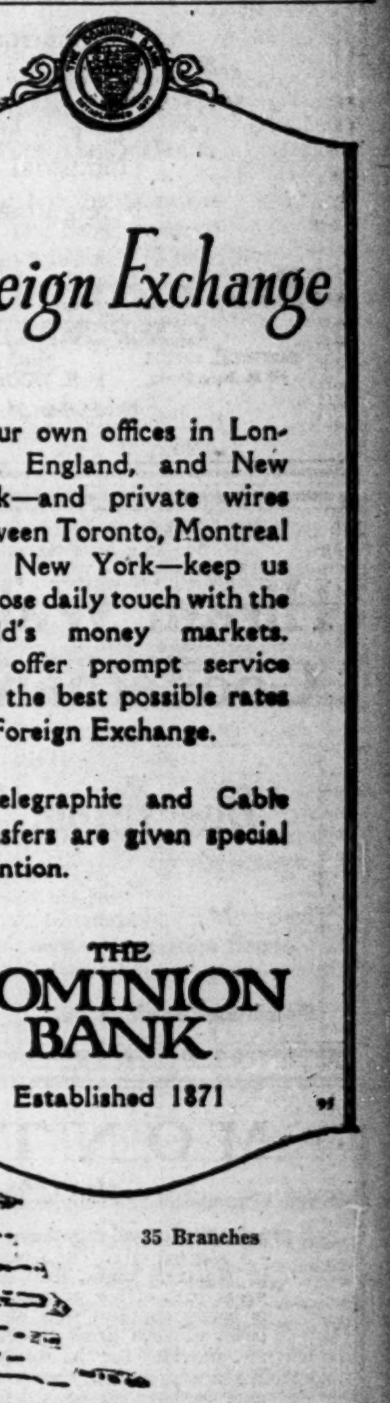

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NEW ISSUE

$265,000

York Street Buildings, Limited
(Toronto, Ontario)

Six Per Cent. First Mortgage (Leasehold) Fifteen-Year Sinking Fund Gold Bonds

Dated April 2nd, 1928. *Due April 1st, 1943.*

Principal and semi-annual interest (April 1st and October 1st) payable at the chief office of the Bank of Nova Scotia, Toronto or Montreal, at the holder's option. Coupon bonds, denominations of $1,000, $500 and $100, registerable as to principal. Redeemable as a whole or in part at the Company's option on any interest date, prior to maturity, on 30 days' notice, at 103 and accrued interest up to and including April 1st, 1933; at 102½ and accrued interest after April 1st, 1933, up to and including April 1st, 1938; and at 102 and accrued interest after April 1st, 1938.

Trustee: National Trust Company, Limited.

CAPITALIZATION
(Upon completion of present financing)

	Authorized	To be Outstanding
6% First Mortgage (Leasehold) 15-Year Sinking Fund Gold Bonds	$265,000	$265,000
Common Shares	160,000	160,000

From a letter addressed to us by Mr. D. H. Rowan, Vice-President of the Company, we summarize as follows:

COMPANY—York Street Buildings, Limited, incorporated under the laws of the Province of Ontario, acquired, on the 1st day of April, 1925, from the Trustees of the Baldwin Estate, a lease for 966 years and 4 months of the land on the south-east corner of Adelaide and York Streets, having a frontage on Adelaide Street of approximately 207 feet and extending southerly on the east side of York Street to the north side of Pearl Street, having a frontage on York Street of 188 feet.

PROPERTY—The leasehold property securing this issue of bonds includes two buildings of the light manufacturing type, known as the "Adelaide Buildings" and composed of the East and West Buildings, respectively. The East Building occupies approximately one-half of the leasehold premises. It consists of two storeys and basement and is of slow-burning mill construction, designed to carry four additional storeys. The West Building occupies the remainder of the leasehold premises and when the two additional storeys, now being added, are completed, will consist of five storeys without basement. It is of the same construction as the East Building. Both buildings are fully sprinklered and carry the lowest rate of insurance for buildings of this type.

SECURITY—The Six per cent. First Mortgage (Leasehold) Fifteen-Year Sinking Fund Gold Bonds to be issued will be secured by a first (closed) mortgage, in favour of the National Trust Company, Limited, as Trustee, on the above-mentioned leasehold lands and the said buildings already erected and to be erected thereon. The East Building may be released from this mortgage upon the Company paying to the Trustee an amount equivalent to 45% of the principal amount of bonds outstanding, or the West Building may be released from this mortgage upon the Company paying to the Trustee an amount equivalent to 85% of the principal amount of bonds outstanding at the date of such release, which moneys shall be used by the Trustee in redemption of bonds.

The present buildings, plus the additional two storeys, and the value of the leasehold have been appraised by Mr. W. N. Lonsdale, of The Toronto General Trusts Corporation, as follows:—Buildings—$456,900; Lease—$78,538; or a total valuation of $535,438.

The said First Mortgage (Leasehold) Bonds to be presently outstanding therefore, amount to approximately 49.5% of the valuation.

EARNINGS—The actual earnings available for bond interest, depreciation and Federal taxes, for the year ended December 31st, 1927, were $22,700.86. The Company already has agreements to lease a large part of the additional two storeys at a rental of 70c. per square foot, thereby increasing the present net income by about $20,000, or making an estimated total amount available for bond interest, sinking fund or depreciation and Federal taxes of approximately $42,700, which is equal to about 2.68 times the total annual interest requirements on this issue of bonds.

SINKING FUND—The Company covenants that it will pay to the Trustee, as a sinking fund, on or before the 1st day of April, 1929, the sum of $5,000, and annually thereafter the sum of $9,000, plus an amount equal to the annual interest on bonds previously redeemed, except bonds redeemed by the application of release moneys, which sinking fund moneys shall be used by the Trustee for the purchase or redemption of bonds of this issue. This sinking fund will be sufficient to provide for the redemption of over 75% of the issue by maturity.

INSURANCE—Under the terms of the Trust Deed securing these bonds the Company has agreed to maintain, at all times, insurance to the full insurable value of these buildings.

We offer these bonds for delivery if, as and when issued and received by us, and subject to the approval of all legal proceedings by Messrs. Long & Daly, Counsel for the Bankers, and by Messrs. Rowan, Parkinson & Gardiner, Counsel for the Company.

Price: 99 and accrued interest, to yield about 6.09%

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In the Mail

Dairy Council States Case

I have just received a clipping from your valuable paper under the caption, "The Nation's Business," in which the Hon. Mr. Robb and the Australian Treaty is referred to. The article states that the prosperity of the Dominion for the past few years has been due in a large measure to the sound position occupied by the pulp and paper mills, and it also refers to the amount of paper exported to Australia as being the safety valve of the newsprint mills, keeping them operating on a basis which still allows the industry to be a material factor in producing wealth and prosperity in this country. While we agree with this in part, yet we cannot agree with the last paragraph when you say, "If the Canadian butter producer cannot compete with the producer in the Antipodes, there is something wrong with his production methods."

The dairy industry has no quarrel with the pulp and paper industry; in fact, the dairy interests would like to see them prosper, but why should the dairy interests, which is a great leading industry in Canada be sacrificed at the expense of any other industry? There has been enough written on this question during the past few months to show that the dairy industry is suffering because of the large amount of New Zealand and Australian butter that has entered Canada during the past six months, from September 1st to March 3rd, amounting to 12,828,720 pounds. It is estimated that with a boat load arriving every two weeks to the end of March, Canada will have received over 15 million pounds of butter from the Antipodes. This alone has not injured the dairy industry, but rather the cables from New Zealand which began to arrive last July offering butter, October delivery, Vancouver, all charges paid, for 37½c did great harm.

The Canadian creamery man had to meet this price or lose his sale. New Zealand butter is carried from New Zealand to Vancouver for 1½c. per pound to which is added one cent for duty and ½c. for brokerage and other charges and which brings the price to the New Zealand exporter to 34½c. The creamery man in the prairies has to meet this and is required to pay 2½c. freight charges to Vancouver and one cent for brokerage, etc. Therefore, the New Zealand farmer is on a parity with the Prairie farmer. In order to meet this the creamery man in the prairie can only pay his patrons 32c. to 33c. per pound butterfat, and remember, at a time of the year when he has to begin feeding his cows, and when the New Zealand farmer is laboring under summer conditions, and as the season advances it becomes more favorable for the New Zealand exporter and more difficult for the prairie farmer who labors under zero and below conditions.

This large amount of butter entering Canada averaging 36c. a pound will amount to $5,400,000. In looking up statistics we find that before the Australian Treaty came into effect in 1921 Canada exported newsprint to Australia for the value of $4,256,850. This dropped to $51,183. in 1925. During the first six months of the Treaty the newsprint export amounted to $926,367, in 1926 and 1927 to $2,542,400. and for the six months ending September 30th last to $1,851,531, and presuming that a similar amount has been exported for the last six months will amount to $3,700,000, considerably less than the amount of butter brought into Canada. We have no desire to curtail the export of newsprint to the sister-Dominion referred to, but we wish to impress upon the public that the dairy business is a great builder, it must continue, it has no substitute, it keeps up the fertility of the farm, it gives employment the whole year and a monthly revenue. There is no other system that will compare with it.

The National Dairy Council have asked three things of the Government:—

1. That the Order-in-Council applying Schedule 2 of the Australian Trade Agreement to New Zealand be rescinded at once;

2. That the dumping clause be immediately applied on all butter sent from Australia to Canada on consignment as well as on direct sale;

3. That the Australian Trade Agreement be terminated as provided in the Australian Trade Agreement Act 1925.

In our presentation to the Government we have not pressed the third to any great extent if they will grant the first two and put the Canadian dairyman back to where he was before the signing of these treaties in 1925, which would satisfy him. The dairy farmer is not after protection but he wants a square deal, that is protection equal to the countries from which butter is imported into Canada. Australia has a 12c. tariff against butter and cheese, adopted November 25th, 1927, New Zealand has a 7c. per pound duty on butter and cheese and a primage duty of 1 per cent. ad valorem. Both these are British Preferential. In the Union of South Africa the minimum duty is 4c. per pound on butter and 7c. on cheese. The latest cables that we have received from South Africa inform us that in 1926 the South African dairy industry was in practically the same condition as the Canadian dairy industry is at the present time, suffering from large importations of Australian butter. In order to protect its farmers the Union of South Africa put on a dumping duty of 6c. per pound, which gave a protection on butter of 10c. per pound. This practically shut out importations and enabled the dairy producer of South Africa to build up his dairy industry. In the United States the duty is 12c. on butter and 5c. on cheese, cream 20c. per (wine) gallon. There is every probability that the duty on cheese, cream and milk will be increased 50 per cent. in the near future. This in order to satisfy the demands of several of the big dairy organizations in U.S.

The National Dairy Council are the spokesmen of the dairy producers of Canada and are most desirous that the dairy industry continue to make the wonderful progress it made between the years 1910 to 1926. Canada has many advantages for dairying but not quite the climatic and soil conditions of New Zealand. There are those who claim that there are other causes for the decrease in dairy production in 1927, yet the fact remains that so much butter from the Antipodes has reduced the profit of the Canadian dairyman of at least 3c. per pound during 1927. Again we say, give the Canadian dairyman a fair chance and he will make a good come-back, when his "morale" is restored. In order that dairying may succeed in Canada it must be carried on in winter as well as summer.

J. R. Love, M.L.A., of Edmonton, Alta., in an article which appeared in the February issue of the "Cowbell" published at Edmonton, Alta., under the caption, "The Australian Treaty hits where it hurts most," closes with this paragraph which we strongly endorse:

"If the present inefficiency in the Canadian dairy industry is due to any one thing—that thing is the lack of winter dairying. Any scheme, government or otherwise, that can be devised to stimulate winter dairying in Canada is in the national interests of the country as a whole, but even though it may only amount to about 3c. a pound, let us first see to it that the Canadian dairyman has restored to him what little protection he had prior to the passing of the Australian Treaty and the order-in-council, giving New Zealand the same terms."

Ottawa,

W. F. Stephen,
Secretary-Treasurer, National Dairy Council of Canada.
March 19, 1928.

Patterson Copper

Patterson Copper situated southwest of the Barry-Hollinger Mine, Boston Creek, will undertake a vigorous campaign of development this summer. The company is reported to be adequately financed, and a comprehensive program has been mapped out. The work will be carried on under the direction of Richard M. Treloar, M.E., manager of the Barry Hollinger. The latter company has a substantial interest in the Patterson.

NEW DISTILLERS' STOCK LISTINGS PROMISED SOON

Seagram Holders Have Until April 16th to Subscribe

CONTROL IN BRITAIN

1,500,000 Shares Issued; Indicate Advantages in Connection With Old Country Leader of Industry

Stock of the new Distillers Corporation-Seagram's, Ltd., it is announced, immediately will be listed on the Toronto Stock Exchange unlisted section, and on the Montreal Curb. This company is a holding company for Distillers Corp. of Canada, and Joseph E. Seagram & Sons, both of which will continue to operate under their present names, and is a result of the recent agreement effected whereby Distillers Company of Great Britain obtained control of Seagram's.

In a circular issued by the stock brokerage house of Johnston & Ward it is stated that the new holding company now owns 90 per cent. of the issued capital of Joseph E. Seagram's. Under the agreement announced early in February, Seagram holders were offered Distillers Corp. of Canada stock on a share-for-share basis, and until April 16th, will be given an opportunity to buy additional shares at $10 the share on the basis of one new share for each two held. There will be 1,500,000 issued shares of the Canadian holding company and control will rest with the Distillers Company of Great Britain.

Capacity Is 3,400,000 Gals.

It is believed that the new arrangement will be mutually advantageous.

Distillers Corp. of Canada owns a distillery at LaSalle, on the outskirts of Montreal, which is in many respects uniquely superior to any other in the world, in the opinion of its owners. There are ample modern manufacturing facilities and adequate storage facilities. The company is well served by railroads and is assured of a supply of good water by means of its own pumping facilities. There also is water shipping accommodation. The distilling capacity is 3,000,000 gallons annually. There are numerous rack warehouses, two of which are of 40,000 barrels capacity. Another under construction will have a capacity of 48,500 barrels.

The Waterloo plant, that of Seagram's, has a capacity of 400,000 gallons annually. There are ample rack warehouses there, also, as well as modern bottling equipment at both plants.

Dividend Is Hinted

The Seagram business was established more than 70 years ago, and its "83" and other brands are well-known to the public.

The direct advantage to the Canadian units in the enterprise lies in the manufacturing co-operation which will be afforded by the parent company in Great Britain, the agency for the world-famous brands which the British company exports (it controls 90 per cent. of the British business) and through world-wide connections which will assist in building an export trade for the Canadian products.

It is announced that the domestic marketing will be left largely in the hands of the Canadian managers, as it is recognized that the business in this country is faced with peculiar problems in view of the nature of the provincial laws. Sales agencies will be established in Montreal, Toronto, Winnipeg and Vancouver. Earnings at present are said to be sufficient for an adequate dividend on the stock.

W. H. Ross, president of the parent company, is president of the Canadian holding company and the other directors are W. B. Cleland, who will have direct supervision of the Waterloo plant, Samuel Bronfman, who will have direct charge of the La Salle plant, and Allan Bronfman.

PORTO RICO RWYS. EARNINGS ARE LESS

Net Profits Below 1926, Though Larger Than in 1925

Earnings of the Porto Rico Railways Co., Ltd., declined slightly in 1927, down from a total of $435,964 in 1926 to $407,685 last year. After bond interest and income tax, net profits remained of $186,564 against $241,635 in 1926. Preferred dividends took $30,000 as in previous years; and $90,000 was disbursed to common shareholders as against $30,000 in 1926, leaving surplus for year of $26,564 against $141,635 the previous year.

A comparison of income follows:

INCOME AND SURPLUS ACCOUNT

	1927 $	1926 $	1925 $
Net earnings	407,685	426,026	371,710
Other income	......	9,938	12,251
	407,685	435,964	383,961
Less: Bond int.	171,121	174,329	177,529
Income tax	50,000	20,000	8,000
Office site res.	......	......	25,000
Net profits	186,564	241,635	173,432
Less appropriations:			
Pref. dividends	70,000	70,000	70,000
Com. dividends	90,000	30,000	......
Surplus for year	26,564	141,635	103,432
Add prev. surplus	x825,572	783,936	691,494
Bal. carr. forward	852,136	925,571	794,926

x After setting aside $50,000 for income tax reserve and $50,000 for depreciation from surplus.

SATISFACTORY YEAR FOR EASTERN STEEL

Substantial Earnings on Share During First Year of Operation

The first consolidated balance sheet of Eastern Steel Products, Ltd., with which is merged the A. B. Ormsby Co., of Toronto, for the year ended November 30, last, shows gross earnings of $194,543. For depreciation there was set aside $27,049, and for taxes, $13,500 was provided leaving net profits of $153,993, the equivalent of 12.7 on the entire capital issued.

Following is tabular review of this year's earnings:

PROFIT AND LOSS STATEMENT
Year Ending November 30

	1927
Gross earnings	$194,543
Less: Depreciation	27,049
Income tax	13,500
Net profits	153,993
Int. and dividends	39,910
Surplus for year	$114,083

Oil Stocks Look Well; Have Made Big Profits in Past for Investors

Companies Seem to be Assured of Increasing Profits

CRUDE SUPPLY SIGNED

Costs More to Distribute Gasoline in Canada But Still Companies Show Big Profits

Both for a long hold for investment appreciation and for the relatively shorter hold of a twelvemonth or so, Canadian oil stocks have many strong features. Viewed from the angle of business and profit possibilities these companies have a big future ahead of them; and while the recent activity of such shares might scarcely suit the snappy trader in the market, it seems fairly sure that the holder over a period of time will get substantial rewards.

The reason for this is not hard to find; for all companies that are engaged in basic industry on a large and adequate scale are assured of increasing profits as the years go by. And there is no doubt that the gasoline-oil industry is not a genuine basic industry. It can be surely said that Canadian oil companies come pretty well under this category.

Factors to Figure

Of course there are certain factors to figure when considering Canadian oil companies, in addition to the question of management. Availability and cost of securing crudes; transportation charges for both raws and crudes; and general sales and distribution costs.

In the case of some Canadian oil companies the supply of crudes at fair prices has been secured for several years to come. The Imperial Oil Co., through the International Petroleum's South American oil lands, is assured of a constant supply of crude. Other companies operating in Canada are stated to have long contracts for crude oil that will enable them to refine and market at a price similar to Imperial.

Transportation Charges Steep

A big factor in the marketing of gasoline and oil products in Canada is the large area that must be covered to secure volume sales, and the consequent high additional costs. It has often been questioned why there should be such a spread between price on tank wagons in the States and the prices charged retail here. At present New Jersey tank wagon prices are less than 11 cents a gallon for our imperial measure, while the retail here is 23 cents plus tax for the same grade. Reason for some part of this wide spread charge is not hard to find. In the State of New York there is as great a population as in the whole of Canada; and deliveries of oil and gasoline can be made cheaply by tank wagons within a radius of fifty to a hundred miles of central distributing point. In Canada the same quantity of oil and gas has to be distributed several thousand miles and accumulates heavy transportation charges; in turn passed on to the consumer.

Marketing Costs High

For this and other reasons the cost of marketing oil and gasoline is high in Canada. Actual selling station costs themselves are up, due in large part to the relatively small turnover because of paucity of population. But despite all these costs, oil companies are making money in Canada and stand to make still more money for their proprietors as population increases, and an important reason why the companies make money is that there is seldom a price-war in gasoline in this country. Most of the companies find it profitable to follow the leader—the Imperial Oil—in setting their retail prices. Competition is keen, but it only rarely gets down to a price basis.

The present policy of Canadian companies is in the nature of expanding their facilities out of profits earned rather than pay obese dividends; and in consequence many branch distributing and service stations have been opened during the past few years where there is little prospect of immediate profit simply for the sake of future earnings when these strategic locations become populated centres. In line with this policy has been the establishment of stations in outlying western towns and northern villages.

Taken by and large, therefore, prospects of Canadian oil companies' earnings showing increasing sums available for dividends, are good. And the investor who is prepared to buy and put away some of these securities for a long hold, is little likely to regret it.

Market Record of Leading Oils

British American Oil

Old stock	High	Low
1924	37¼	31½
1925	50	37
1926	86	47
1927	92¾	80¾
New stock (after split of four to one).		
1926	21¾	20¾
1927	39½	20¼
1928 (to date)	40	31¾

Present price about 37.

Canadian Oil Companies

Old stock	High	Low
1925	60	58
1926	105	65
1927	150	99
New stock (after split six to one.)		
1927	48½	21
1928 (to date)	68½	44

Present price about 54.

McColl-Frontenac

Frontenac Co.	High	Low
1927	40	23½
McColl Co.		
1926	25½	18⅞
1927	64½	22½
New company		
1928 (to date)	35	29½

Present price about 35.

Imperial Oil

Old stock	High	Low
1923	121	99⅜
1924	136	120
New stock (after split four to one.)		
1925	38½	27⅛
1926	39⅝	32⅞
1927	64½	37¾
1928 (to date)	62	58¾

Present price about 59.

International Petroleum

	High	Low
1924	24½	17
1925	35½	25½
1926	35	29¼
1927	39¼	16¾
1928 (to date)	44	34½

Present price about 37.

North Star Oil

	High	Low
1922	3.55	1.75
1923	2.46	1.00
1924	1.15	.50
1925	1.60	.75
1926	1.60	.75
1927	2.55	1.15
1928 (to date)	3.00	2.50

Present price about 2.75.

Supertest Petroleum

	High	Low
1927	78	35
1928 (to date)	96	70

Present price about 85.

THEATRE EARNINGS LOWER LAST YEAR

Marcus Loew's Ontario Co.'s. Show Smaller Receipts and Profits

The annual report of Marcus Loew's Theatres, Ltd., for the year January 3, 1927, to January 7th, 1928, shows a substantial decline in earnings from the two preceding years. Gross earnings amounted to $220,575 against $264,400 in 1926-7; and net earnings amounted to $136,786 compared with $187,728. Net profits after depreciation, bond interest and taxes, amounted to $79,396 against $105,387; and the surplus for the year was $33,623 against $59,614, bringing total balance forward up to $210,040.

Comparisons for past three years:

INCOME AND SURPLUS ACCOUNT
Years End. Jan. 7

	1928 $	1927 $	1926 $
Gross earnings	220,515	264,400	264,761
Less: Oper. exp.	83,729	76,672	83,585
Net earnings	136,786	187,728	181,176
Less:			
Bond interest	19,135	32,216	41,239
Depreciation	27,708	36,987	58,141
Taxes	7,130	9,438	9,683
Bond discount	3,417	3,700	2,060
	57,390	82,341	111,123
Net profits	79,396	105,387	70,053
Less apropriations:			
Pref. dividends	45,773	45,773	45,773
Surplus for year	33,623	59,614	24,280
Add prev. surplus	176,417	116,805	92,525
Bal. carr. forward	210,040	176,419	116,805

The total foreign cargo, including lumber, handled in and out of the port of Vancouver in 1927 amounted to 3,680,850 tons; in 1926, 3,929,000 tons, a slight decrease.

PAGE-HERSEY CO. OWNERS BENEFIT IN TUBE MERGER

Acquisition of Baldwin Plant Rounds Out Company's Production

Substantial benefits to shareholders of Page-Hersey Tubes are expected to result from its acquisition of the Canadian Baldwin plant announced this week. Page-Hersey earnings this year so far have been on a satisfactory basis, production being considerably better than last year, due in part to the vigorous building program going forward in Canada and the consequent good demand for the steam heating and electric conduits in which the company specializes. The Baldwin works will allow PageHersey to expand its business in another direction; that is, the new plant will afford excellent facilities for the manufacture of seamless steel tubing and kindred products not made by Page-Hersey itself.

Terms of Merger

The price paid for the Baldwin plant has not been divulged, but is stated to be in the neighborhood of $500,000. The official announcement states merely that the Baldwin works has been purchased from Mr. Gordon Perry and his associates, and that Mr. Perry has been added to the directorate of Page-Hersey, no other change being made in the latter's governing body. The official statement is as follows:

"The Baldwin Canadian Steel property has been merged with Page-Hersey Tubes, Ltd., and their works will be utilized for the manufacture of seamless steel tubing and kindred products.

"The Page-Hersey Company are the largest manufacturers in Canada of what is known as wrought iron and steel welded pipe, but the demand for seamless pipe is growing rapidly and the merger allows them to enter this field under advantageous conditions, as the Baldwin plant is well suited for the industry and the location particularly good as a manufacturing and distributing centre.

"The combined enterprise will be in a position to supply a complete line of steel and wrought iron pipe of all grades, both for domestic and foreign markets, and will consequently effect important savings in manufacturing and sales costs, which, as separate units, they could not enjoy.

"No new issue of securities is contemplated."

DIVERSIFICATION

The following selection of securities illustrates the advantages of well balanced diversification for an investment fund of $5,000.00.

The list is equally divided as to types of business, including Federal Government, power and paper investment company, agriculture, real estate and public utility. 80% is represented by bonds and 20% by preferred stock.

Additional strength is given through diversification as to geographical location. The Federal Government issue is an obligation of the entire Dominion, while the Public Utility and Industrial Companies listed operate in and draw revenue from 7 of the 9 provinces of Canada.

This conservative list pays a satisfactory interest return, while allowing reasonable opportunity for appreciation. The same diversification may be procured for larger or smaller investment accounts, through the purchase of various denominations available.

We invite your inquiries for Investment Service

		Maturing	Price	Yield
$1,000 DOMINION OF CANADA ..	4½%	1946	103.00	4.25%
$1,000 CANADIAN POWER & PAPER INVESTMENTS LIMITED ..	5%	1958	102.00	4.90%
Carrying bonus of 10 shares no par value Common with each $1,000 bond.				
$1,000 RELIANCE GRAIN CO. LIMITED	6%	1948	102.00	5.83%
$1,000 ALEXANDER BUILDING CORPN.	6%	1947	99.00	6.10%
$1,000 POWER CORPORATION OF CANADA LIMITED ..	6%	Pref.	Market	5.90%

Average Yield about 5.40%

NESBITT, THOMSON & COMPANY LIMITED
Royal Bank Building, TORONTO, 2
Montreal Quebec Ottawa Hamilton
London, Ont. Winnipeg Saskatoon Vancouver

SIMPSON'S SEEK TO ACQUIRE BLOCK

Company Refuses to Discuss Real Estate Activities Near Present Store

According to well-defined rumors, the Robert Simpson Co., Toronto, has completed extensive additional land and building purchases in the Queen-Bay-Richmond area, to round out their store premises. The stories differ, one report saying that the whole block from Bay Street to the company's store, right through from Queen to Richmond Streets, has been purchased by the company. This, however, is denied by officials of the Robert Simpson Co., but they do not deny that a purchase has been made, though refuse at this time to give out information. It is also known that Arnold's store, on the Queen Street frontage next to Simpsons, has not yet changed hands. The best informed opinion seems to be that most of the Richmond Street frontage from the store to Bay Street has been acquired; and expectation is that purchase of the Queen Street sites will follow shortly, as actual offers have been made recently by unknown parties for some, at least, of this frontage.

The Second Issue!
—More Interesting Than the First

Canada's
New Magazine for Women
Extends
An Easter Greeting
in
Entrancing Form

The April Chatelaine is a holiday number, from its beautiful Easter cover, a stained-glass window design, symbolic of the season, to its very poetry.

Chatelaine
A Magazine for Canadian Women
APRIL 1928
10¢
In this issue - Canada's Great Easter Music

Canada's Great Easter Music—By Jessie T. Hill. The great Easter music will be heard in local churches and by radio from musical centres all over Canada. An explanation of the meaning of the well-known oratorios which will be sung generally, and special note of the purely Canadian music which will be sung for the first time this year—will bring the Canadian home closer to real enjoyment of a great musical season. Illustrated with reproductions of Resurrection subjects by the old masters.

Set Your Spring Table with an Easter Bonnet—By Edythe Ann Palmer. It is actually done in the April Chatelaine, and the most becoming effect you ever saw. A delightful article on Easter entertaining.

Spring Fashions. The smart Easter clothes to be found in our own Canadian shops and Vogue patterns of the most chic and simply-made togs—you will revel in them. And to cap it all, a whole page of the new hats, and a veritable bouquet of the new fabrics from the exclusive Canadian houses.

Easter Eggs Glorified—By Joan Dee. The art of making beautiful Easter eggs is not yet dead! There's inspiration for children and grown-ups alike in this most original handicrafts article. Richly illustrated with actual photographs.

The Easter Mouse. As whimsical as possible! A full-page color illustrated poem for children, written by a well-known Canadian author who chooses to sign herself just the "mouse's friend." Illustrated by Dudley Ward in inimitable style.

Outstanding Fiction. Stories by Norma Phillips Muir, R. E. Breach and Jean L. Binds, illustrated by the leading magazine illustrators of the continent.

Meal Planning and Cookery. Thirty interesting menus for April with recipes for their unusual desserts; a most timely exposition of pressure cookery and practical suggestions for its home use; household hints, recipes and special seasonal subjects relating to housekeeping and cookery.

Children's Stories. "The White Woolly Dog"—by Marion Wathen Fox, illustrated in color by Christine Chisholm, is a story to touch the hearts of children and grown-ups, too.

Poems. Two charmingly decorated poems by Charles Bruce and John Hanlon.

Every Woman Should Lead a Double Life!

Do you agree? Margaret Fea's article in the April Chatelaine presents a problem that touches every woman.

Canadian Art Album. A full-page four-color reproduction of a magnificent mountain picture by the late R. F. Gagen, R.C.A., O.S.A., one of Canada's outstanding water-colorists, and for many years president of the Ontario Society of Artists.

Child-Training. One of the most potent factors in pedagogical circles to-day, is parent education—as applied to child-training. Its theory will be expounded from month by a member of the staff of the St. George's School for Child Study, University of Toronto.

Interior Decoration. "Canadian Quilts of Tradition" is a most unusually illustrated article by Anne Elizabeth Wilson.

10¢

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Debentures of District of Burnaby, B.C.

Maturing June 30th, 1930-31

Burnaby has a population of 22,000 and an assessed value of $11,181,000. The total debenture debt less sinking fund on hand is less than $105 per capita ($200.00 per capita debt would be safe).

PRICE: Rate to yield 5.10%.

W. L. McKinnon & Co.
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Toronto

News of Investment Markets

CANADA NORTHERN SPECIAL MEETING AUTHORIZES BONDS

$50,000,000 Mortgage to be Created by Power Holding Company

From Our Own Correspondent

MONTREAL.—The special general meeting of Canada Northern Power this week, is called to authorize the creation of an "open-ended" funded debt amounting to $50,000,000, There is no indication that this authorized debt will be issued at the present, but the step is being taken, to provide the company with what it considers sufficient borrowing power to look after its requirements for many years to come.

Undoubtedly the creation of this wide borrowing power by Canada Northern, is the next step in the move towards simplification of the complex structure of this corporation and its subsidiaries.

At the present moment the total funded debt of Canada Northern and its various subsidiaries, amounts in all to $18,580,000. Of this only $3,000,000 is the direct debt of the parent corporation, and there is included $1,030,000 of first mortgage bonds of the Great Northern Power Company, which have been called for redemption May 1, 1928.

Open Ended Mortgages

This practice of creating a so-called open end mortgage for a public utilities corporation is a common one and has been practised by such companies as Shawinigan and by Southern Canada Power Corporation. The amount authorized as a rule, bears no relation to the immediate requirements of the company, but is usually placed at a figure sufficiently high to allow the company to expand freely and naturally over a period of years.

The following are the details of the various bonds and debentures at present outstanding in the Canada Northern Power group:

Canada North. Power—$3,000,000 6½ per cent Collateral Trust Bonds—Due May 1, 1941; callable on 30 days notice at 105 and interest, until May, 1931, after which date the price decreases ½ per cent. per annum.

Northern Canada Power—$6,000,000 6 per cent. First Mortgage Bonds, Series "A"—Due Dec. 1, 1945; callable in whole or part on 60 days' notice at 103 and interest.

$1,000,000 7½ per cent. Coupon Notes—Due Dec. 1, 1930.

Northern Ont. Light & Power—$4,900,000 6 per cent. First Mortgage Bonds—Due Jan. 1, 1946, and callable at 105 until 1941, and thereafter at an amount decreasing ½ per cent. per annum.

Great Northern Power—$1,030,000 6 per cent. First Mortgage Bonds.—Due May 1, 1946. These bonds have already been called for redemption, May 1, at 102½.

Quinze Power Co.*—$2,650,000 6 per cent. First Mortgage Bonds, Series 'A'—Due 1945.

*All held by Northern Canada Power.

G. W. TIMBER CO. BONDS OFFERED

Valuable Holdings Mortgaged by New York Interests For Ten Years

Royal Financial Corp., of Vancouver, are offering this week an issue of $300,000, 6½ per cent. first mortgage 10-year sinking fund bonds of the Great Western Timber Corp.

As its name implies, this company is engaged in the timber business, with large holdings on the mainland and Graham Island. At the present time block A limit, known as the Vancouver property, is optioned to Vancouver interests; block B, or San Juan timber, is so far undeveloped; while the timber on block C, Graham Island timber, is being sold to Los Angeles Lumber Products Co., on a stumpage basis.

A substantial portion of the capital stock of Great Western Timber Corp., is owned by Howard Cole and Co., of New York. The president of this company, Mr. Howard Cole, is personally guaranteeing payment of interest and principal of these bonds.

Further details follow:

$300,000
GREAT WESTERN TIMBER CORP.
6½% 1st Mortgage 10-Year S. F. Bonds
Dated March 1, 1928 Due March 1, 1938

Company: Owns timber leases on mainland (British Columbia) and Graham Island.

Security: A first charge on the following properties; (a) Vancouver property, value $225,000; (b) San Juan timber, $600,000; (c) Graham Island timber—sold on stumpage basis for $3,500,000; (d) personal guarantee of Howard Cole, president of Howard Cole, Cin., New York, owners of a substantial portion of the capital stock.

Sale of Assets: Trust Deed provides that in sale of any of the assets covered by this mortgage, the sale price is not less than as follows: Vancouver property, $225,000; San Juan timber, $400,000; and Graham Island timber $600,000.

Sale: Proceeds of sale are to be used in buying bonds below call price or calling in bonds as set forth in trust deed.

Sinking Fund: $25,000 per year, the first payment to be made on March 1, 1929.

Offer: Royal Financial Corp., at 98¾ and interest.

Calgary Building Active

Calgary will experience one of the best periods of building activity in its history this spring if the permits issued by the building department of the city hall for the month of February are any indication. These permits amounted to $300,000 for that short month at a slack period of the year.

Tenders and By-laws

Apr. 2.—Saskatoon Sch. District.—$19,000 30-year sinking fund debentures, 4½% or 4¾%. Alternative bids U. S. and Canada, and Canada only. W. P. Bate, treas., Saskatoon.

Apr. 7.—Saskatoon.—$483,300, 4½% debentures. Alternative bids. A. Leslie, commissioner. (See announcement on page 16).

Mar. 26.—Renfrew.—$100,000, 5% debs. R. P. Watt, clerk-treas.

Apr. 14. Seaforth.—$32,500, 5% local improvement debs. J. A. Wilson, treas.

April 4.—Village of Cabano, P.Q.—$25,000 5% serial bonds. J. H. Beland, sec.-treas.

April 2.—Village of Cap l'Aigle, P.Q.—$11,500, 5%, serial bonds. Adelarde Dufour, sec.-treas.

SASKATCHEWAN
Authorizations Granted by the Local Government Board
From March 3rd to March 10th, 1928

Schools.—Hazlett, No. 3349, $1,500; Wyatt, No. 4397, $800; Garden Prairie, No. 3725, $1,800; Hawoods, No. 2055, $4,500; Douglas, No. 2699, $4,500; Stelcan, No. 3599, $3,500; Rosenburg, No. 286, $1,500; Lance Valley, No. 4709, $3,000; Willow Grove, No. 2020, $1,500; Duval, No. 2864, $6,000; Latham, R. T. Co., $7,000.

Debentures Reported Sold.

Wartime, R. T. Co., $1,450, 10 yrs., 6%, Cross & Co., Regina.

FINANCE ONTARIO APARTMENT CHAIN

Public offering is being made this week by R. W. Savage and Co., of $1,000,000, 7 per cent. first mortgage sinking fund bonds of York Apartments, Ltd.

This company has an Ontario charter, being incorporated for the purpose of owning and operating a chain of apartment houses in a number of cities throughout Ontario. All apartments will be of fire-proof construction and will be modern in every detail.

Plans have been completed for the erection of three apartments, one each to be located in Kitchener, Stratford, and Brantford.

Details of the issue follow:

$1,000,000
YORK APARTMENTS, LTD.
7% First Mortgage S. F. Bonds
Dated Jan. 16, 1928 Due Jan. 16, 1948

Company: Will own and operate string of apartment houses in Ontario. Present plans call for erection of buildings at Kitchener, Stratford, Chatham.

Earnings: It is estimated that net revenue will amount to twice maximum annual interest requirements.

Redemption: Callable as a whole or in part at 30 days' notice at a premium between certain specified dates.

Sinking Fund: Commencing January 16, 1930, will redeem over 50 per cent of this issue by maturity.

Surety Bond: Completion of buildings, according to plans and specifications, is guaranteed by surety bond.

Security: First mortgage on various buildings mentioned above.

Insurance: Fire insurance to the full value of the properties will be carried.

Offer: R. W. Savage and Co., at 100 and accrued interest, to yield 7 per cent.

Canada Gypsum Has Sold Its Debentures

From Our Own Correspondent

MONTREAL.—Following the recent bond issue of Canada Gypsum and Alabastine, the Royal Securities Corporation is now offering a $1,000,000 debenture issue in the company. The particulars of the issue follow:

$1,000,000
Canada Gypsum and Alabastine, Limited
6% 20-year Convertible Sinking Fund Debentures

Capitalization:	Authorized	Outstanding
First mortgage bonds	$4,000,000	$2,500,000
20-year debentures ..	1,000,000	1,000,000
Common, n.p.v. ...	100,000 shs.	75,994 shs.

The Company: Is the largest Canadian manufacturer of gypsum products, and with the recent acquisition of the companies operating in Manitoba and British Columbia, its plant and properties are located from coast to coast.

Assets: Consolidated fixed and current assets after deducting all prior charges and the bond issue, now outstanding, are equivalent to more than two and one-half times the total amount of debentures.

Earnings: After all charges for depreciation and depletion, but before Dominion Income Tax, for the year 1927, were equivalent to 8.4 times the annual interest requirements of the debentures.

Sinking Fund: Commences September 1, 1929, and is equal to 3 per cent. of the total issue, plus interest on debentures redeemed.

Convertible Feature: Debentures are convertible any time prior to March 1, 1933, at the holder's option into common shares of no par value at the rate of 10 shares for each $1,000 debenture.

Offered: March, 1927, by the Royal Securities Corporation at 99 and accrued interest to yield 6.1 per cent.

Interprovincial Power Bonds Sold with Bonus

From Our Own Correspondent

MONTREAL.—La Corporation de Placements d'Utilites Publique is offering a 15 year mortgage bond issue of the Inter-provincial Power Company which has been formed to develop power in the north Terrebonne county, P.Q., on the Riviere Rouge at the village of Brebeuf. When completed, the company will furnish electric power to the nickel and garnet mines at Labelle and to the china clay and graphite mines at St. Remi. The particulars of the issue follow:

$700,000 Inter-Provincial Power Company First Mortgage 6% Fifteen-year Bonds

Dated: Feb. 1, 1928. **Maturing:** Feb. 1, 1943.

Capital: Authorized and issued; First mortgage, $700,000; common stock of $100. Par value, $499,900.

The Company: To erect a 2,000 horsepower hydro-electric plant in northern Quebec.

Security: A first mortgage on all the assets held or to be held by the company. The proceeds of the issue will be used to finance the development.

Earnings: It is estimated that earnings when the work is completed will amount to three times the bond interest.

Offered: March, 1927, by La Corporation de Placements d'Utilities Publique at par with accrued interest plus a twenty per cent. bonus of common stock.

Winnipeg Firm Sells Issue of Lombard Share Corp.

Public offering is being made in Winnipeg of 10,000 shares of preferred stock and 5,000 shares of common of the Lombard Bond and Share Corp., by Bond and Share Securities, Ltd. The price of the preferred, which is 5 per cent. cumulative stock, is $50 a share, and the purchase of two shares of preferred gives the holder the option of buying one share of common at $20 a share.

Bond and Share Securities, Ltd., is a newly formed firm of investment bankers, headed by Frank D. Scruton, who is president and managing director.

Laurel Packing Co. Makes Stock Offering to Public

Laurel Packing Co., of Winnipeg, are selling to the public direct an issue of 2,500 shares of 7 per cent. preferred stock at $100 a share, with a bonus of 2 shares of no par value with each 5 shares preferred. Various forms of payment are set forth in the circular.

This company has an up-to-date plant located at St. Boniface, Man., and the present issue is for the purpose of providing capital for the expansion of the plant and the creation of additional working capital.

This Week's Bond Sales

City of Regina

Royal Securities Corporation were the successful tenderers for an issue of $201,000 4½% and 5% 15 and 30-year instalment debentures of the City of Regina. The debentures are payable in Canada and the United States. The high bid was 99.78 for the Canadian and 99.88 for the American. Tenders follow:

	Canada	New York
Royal Securities Corp.	99.78	99.88
Matthews & Co.	99.25	99.45
Bank of Montreal	98.02	98.02
Wood, Gundy & Co.	97.19	97.40
Can. Bank of Com.	96.87	....
Dyment, Anderson & Co. ..	97.50	97.70
A. E. Ames & Co.	97.27	97.52

City of Oshawa

An issue of $326,868, City of Oshawa, 4½ and 5 per cent., 10, 15 and 20-instalment bonds has been awarded to Wood, Gundy & Co., on a bid of 97.65, which is equal to a cost basis of 4.87 per cent. The bids were:

Wood, Gundy & Co.	97.65
C. H. Burgess & Co.	97.29
Matthews & Co., and Royal Securities	97.27
R. A. Daly & Co.	96.61
McLeod, Young, Weir & Co.	96.23
Bell, Gouinlock & Co.	96.21

SASKATOON TAX POSITION IMPROVED

Outstanding Levies Below Million Mark at End of 1927

Outstanding taxes of Saskatoon at the end of last year totalled $930,849, after deducting a reserve for uncollectable taxes of $465,264, according to the auditor's report. This compares with a total of $1,332,410, after deduction of a reserve of $462,646 at the end of 1926.

The general revenue and expenditure statement shows a surplus of $28,315, against $64,046 for the year 1926.

The bank loan on current account stood at $37,550, as against $231,140 at the end of the previous year.

The report shows that each of the three utilities, electric light, waterworks and street railway, concluded the year with a surplus after paying all operating expenses and fixed charges, the first and last mentioned showing a substantial improvement over the previous year and the waterworks a decrease.

City officials report that the substantial improvement shown in the city's liquid position, as indicated by the reduction in the current bank loan, has been brought about by improvement in tax collections, the net reduction in the outstanding arrears during the year having been slightly over $400,000, and that since the beginning of the year the improvement in this respect has been more than maintained, January and February tax collections being considerably in excess of collections for the same months last year, and the bank loan on current account having been entirely wiped out.

Contractors Speed Work on Queen's Park Plaza Job

Construction work has been renewed on Queen's Park Plaza, Toronto. Erection of this large apartment-hotel was delayed when it was decided to make a change in the contractors. The J. W. Butler Construction Company of Detroit, Michigan, who have completed many large jobs in that city, have undertaken the new construction contract. They have guaranteed to have the building partially completed in time for Toronto Exhibition in order that the shops, cafe and some of the rooms will be available for use at that time and to have the whole job practically finished by October 1.

A change in the type of construction has been made from reinforced concrete to steel and brick as the latter provides greater flexibility in the arrangement of space as well as better architectural appearance.

Canadian Bridge Company has been awarded the steel work contract.

The building is practically financed, there being enough money in hand, its sponsors declare, to complete the structure. The balance of the general mortgage bonds remaining to be sold will cover furnishings and equipment.

Drumheller Collieries Bonds Placed on Market

Lougheed and Taylor, of Calgary, are offering at par an issue of $500,000, 7 per cent., 15-year first mortgage sinking fund bonds of Drumheller Consolidated Collieries, Ltd. There is a bonus of one share of common stock of no par value with each $100 par value of bonds.

This company has been incorporated under Dominion charter for the purpose of acquiring the Drumheller Land Co.'s coal leases, to take over those royalty contracts issued by the old company and to acquire other properties.

Drumheller Collieries' present holdings produced $300,000 in revenue during the past five years and for the five months' period ended December 31, 1927, the gross royalties amounted to $33,505. Earnings during the current year are estimated at twice the bond interest requirements.

The capital set-up of the company consists of $500,000 first mortgage bonds and 15,000 n.p.v. common shares, issued.

Quality of Real Estate Securities Coming to Fore

The real estate security field is apparently reaching that stage of mature development where the market registers finer distinctions in degree of quality than is possible in the earlier phases of any given type of financing, according to a survey prepared by Halsey, Stuart and Co.

Considering the more seasoned status of real estate bonds, their wider acceptance among investors, and the fact that the majority of outstanding bonds were issued during periods of higher interest rates, it is natural that some refunding at lower rates is now being done in this field, as in others.

Wider recognition is now being accorded to the investment qualities of real estate bonds which are based upon a diversified group of small individual mortgages. When, under such an issue, diversification is added to the inherent security of real estate; and in addition, the mortgages are individually guaranteed, there undoubtedly results a quality of security which ranks with the most conservative of investments.

Ottawa Demands Sales Tax on Stock

From Our Own Correspondent

OTTAWA.—Wholesale merchants in Canada are very much exercised in regard to a change which has been made in the method of paying the sales tax. Hitherto, all properly licensed wholesalers have only been required to pay the sales tax as they sold the goods. The tax was not paid upon their purchases.

Now, however, the National Revenue Department has decreed that this privilege of holding goods in stock upon which the tax has not been paid must be withdrawn, and, accordingly, the regulations have been changed. It is understood that the change will take place on April 1, when wholesale merchants will be required to pay sales tax on all goods in their possession. This will mean that the tax will have to be paid on all the stock on hand, and as the total amount of such a payment would be very large, many wholesalers are protesting.

It is understood that Hon. W. D. Euler, minister of National Revenue, is reconsidering the matter and will reach a decision as to whether the change will come into effect, within a few days.

Tar Sands for Manitoba

Alberta tar sands in huge quantities are likely to be utilized in the big programme of Manitoba for new highways this summer. The plan worked out is to try to have a plant at McMurray or some other point adjacent to these deposits and extract the tar from the sands to avoid shipment of the voluminous raw material.

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCES AND DOMINION GOVERNMENTS

Place	Date Sold	Municipal —Sold To—	Rate	Maturity	Amount	Price	Cost Basis
Oshawa	Mar.	Wood, Gundy & Co.	4½ & 5%	10, 15,20-ins.	$326,868	97.65	4.87
Saskatchewan Phones	Mar.	Cross & Co.	6%	10-yr.	1,450	....	...
Regina	Mar.	Royal Securities Corp.	4½ & 5%	15 & 30-ins.	201,000	99.78	...

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Bond Issues—	Date Issued	Offered by	Rate	Due	Amount	Price	Yield
Drumheller Consolidated Collieries.	Mar.	Lougheed & Taylor	7%	15-yr.	$500,000	100	7%
Stock Issues—							
Compagne Generale Transatlantique.	Mar. ...	Greenshields & Co.; Geoffrion & Co.; and Rene Leclerc	...	Cum.	87,500 shs.	$71	...

REORGANIZATION CAN. CONNECTICUT IS NOW UNDERWAY

Royal Securities Buying Common—Developments Expected

From Our Own Correspondent

MONTREAL.—The first step in some form of a reorganization of the Canadian Connecticut Cotton Mills has taken place. The Royal Securities Corporation, which financed that company's preferred stock issue some years ago, has made a bid of $2.25 a share for the common stock. This price has proved acceptable to the holders of the majority of the stock who have advised the other shareholders to accept the offer.

The capitalization of the Canadian Cotton Mills is as follows:

8% cum. preferred, $100 par value	$3,000,000
Class A common, $10 par value ..	1,000,000
Class B non-voting common, $10 par value	500,000

From the foregoing capitalization, it will be seen that if all the class A and class B shareholders turn in their shares to the Royal Securities Corporation at $2.25 a share, the investment house will have obtained all the common stock equity in the property for a figure of $335,000.

What is Next Step?

What the next step in the working out of the destinies of the company will be, none can foretell, for the Royal Securities interests will not yet announce any plans for the future.

The future course of the company lies perhaps along either one of two lines. The new interests in the picture might either reconstruct the capitalization to conform more with the earning power of the assets, or the Canadian Connecticut Cotton Mills may be merged with another and stronger organization which would be able to use its undoubtedly substantial assets invested in plant to better advantage than at present.

The rise of the preferred shares in the company over recent months indicates that undoubtedly some constructive step is under way which will result in improving the position of the preferred shareholders. The stock is now quoted between $75 to $80.

Suggested Amalgamations

It has been suggested that the Canadian Connecticut Cottons might be merged with Goodyear Tire for the Royal Securities Corporation has been associated in the financing of this company in the past. But some months ago Goodyear Tire purchased the Canadian Manhasset Cotton Company where Goodyear tire fabrics are now being woven. Probably Goodyear would not be in the market for another tire fabric plant.

Hence, Canadian Connecticut Cottons might be merged with another textile company which would be able to use to advantage the vacant space in the mills at Sherbrooke.

The output of the plant consists at present solely of tire fabric. The tire fabric industry's over expansion during the war years has been responsible for the unsatisfactory earning position which Canadian Connecticut Cottons has occupied in the intervening years.

W. T. Westby Retires from Huron and Erie

Walter T. Westby, manager of the Market Branch, London, of the Huron and Erie Mortgage Corporation, since 1911, is retiring on pension at the first of April. Mr. Westby began his financial career in 1877 with the Agricultural Investment Society and Savings Bank, later known as the Agricultural Savings and Loan Company. This company amalgamated with the Ontario Loan and Debenture Company, this city in 1911. Mr. Westby became associated with the Huron & Erie Mortgage Corporation and the Canada Trust Company that year.

Milton C. Templeman, inspector of agencies and former manager of the corporations' South London branch, will be Mr. Westby's successor.

Quebec Aids Settlers

Quebec is taking advantage of the Federal legislation of last year known as the Canadian Farm Loan Act, which provides for loans to pioneers whereby the Federal government provides 90 per cent. of the money, the province 5 per cent., and the borrower himself the remaining 5 per cent.

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TWIN CO. LOSES ST. PAUL VOTE ON PAVING TAX

Higher Fare in St. Paul is Expected to Be Result

Voters of St. Paul, Minn., have rejected a proposal to amend the city charter whereby Twin City Rapid Transit Co. would be relieved of a portion of the expense of paving between the rails on the street-railway system in that city.

It is said that the result of this action by the voters will be an order of the railroad and warehouse commission of Minnesota increasing the fare in the city of St. Paul to a point where the company can earn 7½ per cent. on the valuation of the property as fixed by the commission. This will result in a higher fare in St. Paul than in the Twin City of Minneapolis.

Traymore Cafeterias Show Moderate Increase

The first annual report of the newly capitalized Traymore Limited, for the last nine months of 1927, shows a moderate proportionate increase over previous twelve-month periods. Profits for the nine months ended December 31, before providing for depreciation amounted to $116,659; which compares with $162,675 and $137,255 respectively in two preceding twelve-month periods which ended January 31, 1927 and 1925. After providing $23,322 for depreciation and paying preferred dividends at rate of 7 per cent., there remained $51,627 available for common shares, or a sum equal to 80 cents a share on the common earned during the nine-month period. Some $10,000 was transferred to a general reserve and $41,627 carried forward to credit of profit and loss account.

Current assets are placed at $326,662 or more than 4½ times current liabilities of $70,342.

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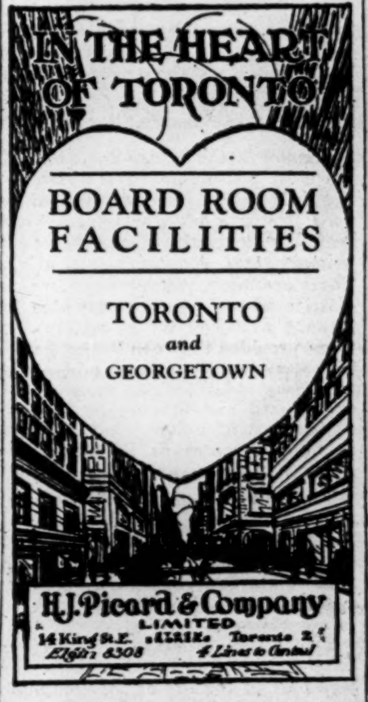

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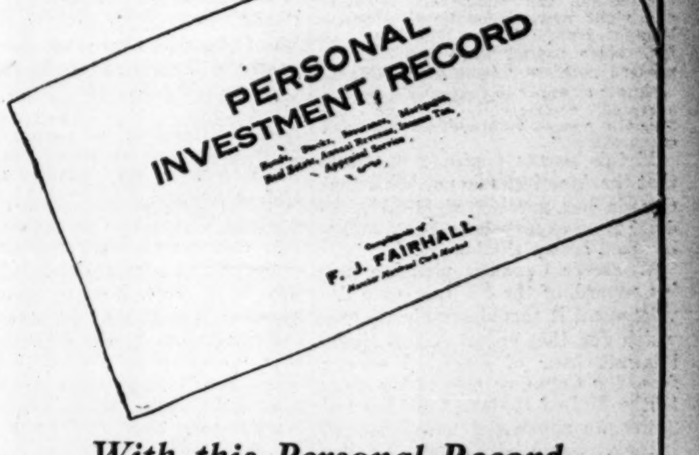

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TORONTO, MARCH 23, 1928

WHAT'S THIS?

A MEMBER of the Ontario legislature introduced a bill to give municipalities authority to tax the properties of the Ontario Hydro-Electric Commission. Premier G. Howard Ferguson asked him to withdraw it. "If you tax the Hydro properties in all the municipalities they pass through it will raise light and power rates in Toronto 20 to 25 per cent." the newspapers report the prime minister as saying.

What a condemnation of the whole principle of public ownership! Having Quebec's power rates to judge by, no sane person contends that private ownership of Ontario's power system would raise power rates one per cent., much less 20 to 25 per cent. Yet the present power rates are only possible, if we are to believe the prime minister of the province, because the citizens receive no taxes on the properties of the power commission.

Obviously, Mr. Ferguson was exaggerating. But even allowing for that, he dealt public ownership a pointed jab.

HARD TO RECALL

THE company that sells power on the Island of Montreal also exports a large quantity of power to the United States. It gets, according to Maxime Raymond, who raised the question in the House of Commons, $12 per horsepower for the power exported to the United States. Power from the same plant sells for from $25 to $35 per horsepower in Montreal.

The Ontario Hydro-Electric Commission exports power to the United States. Because of long term contracts entered into many years ago, the Ontario Hydro is forced to export yearly 125,000 horsepower of electrical energy for which it receives $9 per horsepower, according to a figure recently supplied to the Senate by Senator Lynch-Staunton of Hamilton. At the same time, the Ontario Hydro is buying power in Quebec that will cost over $22 per horsepower.

The contracts signed by the Montreal company and the Ontario commission would not be worth the paper they are printed on if the Dominion government were to refuse to renew from year to year the licenses for the export of this power.

Governments at Ottawa have been tempted but no government has finally determined to revoke these licenses. Large vested interests have been built up on the other side of the line as a result of this power export. Undoubtedly much inconvenience would be caused American industries in the Northern New York and Buffalo-Niagara districts if Canada refused to permit the further exportation of the two blocks of power referred to. Just before the war, the Public Service Commission of New York said, in reference to the Niagara power export:

> "This commission must assume that international relations, affecting so important a subject as the means of continuing great industries which have grown up in reliance upon the use of this imported power, and as well the interests of the Canadian producing companies themselves, have become fixed and subject only to such changes as will fully protect the great commercial and industrial interests and right now served by this power brought from Canada. The time has long since passed when governments proceed ruthlessly from pure national rashness or anger to destroy the settled accepted commercial relations and formally vested rights of persons and corporations."

If this means anything it means that the Americans do not think that Canada has not any right to withdraw from export the power now being sold across the border.

Whatever Canada's ultimate policy regarding the St. Lawrence development, it should contain no provision for the export of a single kilowatt hour of electrical energy from the Canadian side of the river to the United States. Once we sell power we apparently never can get it back. Unofficially Ottawa's policy is declared to be in opposition to power export. Business men should sustain Mr. King in this stand.

OPENLY, AT LEAST

RT. HON. R. B. BENNETT objects to representatives of British industries appearing before the Advisory Committee on Tariff and Taxation. He is perturbed also because a group of French manufacturers made representations to the board. The question is a complex one. Canadian representatives have appeared before British commissions. Canadian officials, for instance, have appeared before the agricultural committee of the House of Commons on the cattle embargo question. Canadians have made representations regarding the safeguarding of Industries Acts, though Mr. Bennett is probably right in saying they have never given evidence publicly.

The tariff board is a fact finding body and is privileged, as it should be, to take evidence from any one in a position to give it important information touching the commodity under investigation. Evidence as to costs of production in other countries is obviously relevant. But while the tariff board is quite within its rights and privileges in listening to whomsoever may wish to speak before it, it may be questioned if it is always tactful for industrialists from outside Canada to make representations to the tariff board. When British manufacturers came to Canada to give evidence there was a distinct under-current of feeling throughout the country that they were going further than they should have gone in attempting to influence Canadian tariff policy. If American or other foreign manufacturers selling in Canada were to appear before the tariff board asking for a reduction of Canadian duties or protesting against an increase in a Canadian tariff schedule they would arouse much unfavorable public opinion. But though Americans have not given evidence before the tariff board it must not be assumed that different American groups have been unrepresented at the hearings. The British textile men at least came out into the open.

A GOOD SCHOOL

UNIVERSITY of Western Ontario has issued an informative series of circulars telling of the work of that institution. The university is making an appeal to the business men of Western Ontario for funds to put the university in better financial shape. If Western Ontario business men fully appreciate the type of leadership their university is giving they will not fail to answer this call.

London is the centre for some of the most prosperous rural communities in Canada. They are settled by good Scotch stock who have always been keenly aware of the value of primary and secondary education. There are many young people in this district whose families are able to finance a university education for them provided they can live at home. There is even a financial advantage for those students who have to secure board and lodging in London, as the cost of living is not as high in such a centre as in the larger cities of Toronto and Montreal.

While the larger universities have an advantage for research work and for those departments where very expensive equipment is required, the smaller classes, enable the teachers smaller classes, enables the teachers to get closer to their students.

The faculty at Western University have endeavored to make their college part of the life of the community. This has been particularly true in the Department of Commerce and Finance. The head of this department has gone to merchants, manufacturers and financial concerns and has discussed their problems with them. In many cases, some of these problems have been handed over to students who have collected data and written theses on the subjects and these have been sent to the firms in question. The work that has been done has been of great benefit to the business community and particularly to the students of the university. It has given them a practical viewpoint in their course of study.

This university seems to have been able to hold free from extreme socialistic or communistic influence. The training young men get there will not make them antagonistic to the capitalistic system of business.

GOOD WORK, P.E.I.

WHAT province in Canada produces a product that is so distinctive that a large department store in New York took quarter-page ads. in the papers of that city to advertise it, alone, and not as one of a group of articles? It was Canada's smallest province. The store spent hunreds of dollars advertising a showing of "Prince Edward Island silver foxes, every one purchased in Canada this season."

Quebec maple syrup, Nova Scotia scallops, Ontario cream, New Brunswick potatoes or British Columbia apples probably never got a similar department store display in New York.

SAVING CANADA'S FACE

WERE it not for the last-minute efforts of a small group of Canadian manufacturers, the British Industries Fair would have passed, without a display by Canada.

As a direct result of slip-shod work at Ottawa, the British Industries Fair, which is perhaps, the most important event of the kind which takes place annually in the United Kingdom, was without adequate representation from Canada.

It was not that the federal government was unaware that this fair was to be held, because plenty of warning was given. However, the decision to participate came so late that no effective action could be taken and it will not be until next year that Canada will be adequately represented. The masterly inactivity of the cabinet had another unfortunate consequence in that the representatives of Canadian industry in the Old Country were uncertain if the Canadian government would take action and delayed reaching a decision, through no fault of theirs, until the time was too short to do otherwise than drum up a few exhibits of a non-national character.

The report of the trade representative of the government in the Old Country, which is published in the current issue of the Commercial Intelligence Journal, states, in part, that:—

> "As our own organization is not ready, the Canadian Chamber of Commerce in London undertook the organization of a Canadian section. In spite of the active measures taken by the Chamber, the response has been somewhat inadequate. However, the section, which is adjacent to one of the main entrances, includes attractive stands maintained by the following manufacturers:
>
> "Beatty Bros., Fergus, Ont.; Brantford Washing Machine Co., Brantford; Canada Gypsum and Alabastine, Ltd., Toronto; Cosmo Dishwasher, Ltd., Halifax; H. O. Cereal Co. of Canada, Ayr, Ont.; McClary Manufacturing Co., London, Ont.; Phenix Cheese, Ltd., Montreal; Pollock-Welker, Ltd., Kitchener; Sheet Metal Products Co., Toronto; and L. E. Waterman, Montreal."

While according all credit to these manufacturers, it is nevertheless very regrettable that they had to shoulder the entire burden of representing Canadian producers in this fair. It is all the more regrettable when one notes in the report that the number of home buyers who attended the fair was 50 per cent. greater than last year, and of overseas buyers, more than 50 per cent. greater.

Mr. Malcolm's undertaking to avoid a repetition of this omission is important. Had the minister of trade and commerce had the matter under his jurisdiction from the start, Canada would not have made such a sorry showing.

FOREST CONSERVATION

THE Quebec government is to be congratulated on the forest conservation measure brought before the provincial house by Hon. Honore Mercier, Minister of Lands and Forests. This provides that after May 1, 1930, every holder of timber in Quebec shall restrict his annual cutting to not more than 80 per cent. of the annual growth of the forest. The new legislation will create forest reserves to provide for the future and take care of fire losses.

In the past four years, practically all the leases of Crown limits provided that only 80 per cent. of the annual growth could be cut For the future though, these restrictions will apply to all Crown timber limits which have already been leased. The legislation is a further step in the policy indicated some time ago by the Quebec government when it ruled that no more mills would be encouraged to locate in Quebec in order that the supply of wood for the existing mills would not be menaced.

Ontario, also, is taking steps to curb improvident timber cutting. A bill introduced into the provincial legislature gives the minister of lands and forests final authority to fix the size and kind of trees that may be cut on crown lands.

WORTH-WHILE EXPERIMENTS

CLOSE attention will be paid by Alberta coal operators to establishing a market for their product in Ontario during the next three years. Heretofore the freight rate has proved a stumbling block. This obstacle has now been removed by the Dominion Government, which has passed an order-in-council for a rate of $6,75 a ton.

The problems in connection with this movement are many, but they are not insurmountable. Distribution channels will have to be established. The various grades of coal will have to be advertised and last, but not least, the people of Ontario will have to be educated as to how they can secure the greatest value from Alberta domestic coals.

It is a matter of opinion as to whether or not Alberta coal can be placed on the Ontario market in three years' time. The coal operators believe they can do it. If they are successful, the Ontario householder will secure his coal at lower cost; millions of dollars now being spent on the imported product will remain at home; more work will be provided for Alberta's coal miners; the railways will be able to utilize more fully their rolling stock; and the country as a whole will benefit.

If the movement proves to be a failure, then the Dominion Government will foot the bill, as it guarantees the payment of the difference between the new rate and the actual cost of moving the coal. But Alberta will have been given the opportunity to prove her case. Whatever it costs, the experiment is in the national interest. By and large the ordering of the new freight rate is a constructive bit of legislation.

EDITORIAL NOTES

THE GOLDEN HORN is apparently no horn of plenty for Constantinople has defaulted on its bonds.

* * *

ALFRED ALOYSIUS SMITH, (Trader Horn) will broadcast on March 27, thus proving there is such a person.

* * *

AS A LEADING authority on election-eve roorbachs, shouldn't Lord Atholstan be consulted about the Zinovieff letter?

* * *

WE THANK The London Times correspondent who says that the finest day's journey in all the empire is the ride from Calgary westward and up into the Canadian Rockies.

* * *

CANADA CONSUMES yearly vast quantities of oil that is extracted without any attempt at conservation from United States oil fields. And on the principle that turn about is fair play we ship millions of cords of wood yearly to the United States, in the form of pulpwood, pulp or paper. The oil can never be replaced; the pulpwood can be replaced, by proper conservation and reforestation programmes.

* * *

ANDRE MAUROIS' excellent and vivid new biography of "Disraeli" is marred by one flaw, that is certain to strike every Canadian who reads the book. Maurois credits an English politician with having brought about the Confederation of Canada. The gentleman who happened to be Colonial Secretary when the Canadian provinces were confederated was as much a bystander in that great historic achievement as King George is in respect to the doings of the Canadian Parliament. Canadian confederation was a Canadian accomplishment. But a Frenchman may be excused for making an error when such Canadians as W. T. R. Preston make similarly absurd statements. Preston's recent muck-raking memoirs had it that Sir John A. Macdonald had fought Confederation from the first.

POST-scripts

OTTAWA is rapidly acquiring a diplomatic quarter. The United States embassy is now in course of construction and Mr. Minister Phillips, it is learned, intends to build a palatial residence in the section of the city to the east of Parliament Hill, on the lofty heights which look down upon the Ottawa river. The Japanese government, it is expected, will erect a legation in the present year, as will the French Republic. The latest addition to the diplomatic quarter is Cavaliere U. Pio Margotti, consul-general for Italy, who has just been moved from Montreal to Ottawa.

The citizens of the capital are not yet accustomed to these distinguished representatives of foreign powers and already there has occurred at least one "incident" which might have had disastrous consequences and might, indeed, have estranged Canada's nearest neighbor — the United States.

Fortunately, however, nothing further than a semi-suppressed dispute occurred and now that the dangerous period has been safely passed the details may be given. They are not without humor.

* * *

THERE is in the diplomatic quarter an unoccupied property which has been coveted by many Governors General in the past as a site for a new vice regal residence to replace Rideau Hall. A few weeks ago, someone, (it might be unkind to inquire too closely as to his identity), conceived the plan of presenting this site, free of charge, it being municipal property, to the United States for the purpose of constructing an embassy thereon. The idea took hold and in a few days there was organized a strong campaign with this objective in view. A hole-in-corner meeting of the Ottawa Board of Control was held, at which the proposal was endorsed, and the offer was made in a semi-public manner to the United States' minister, who, needless to remark, accepted it gladly. In the Ottawa press, it was heralded as a friendly gesture which might well have far reaching and favorable reactions upon many important questions now under negotiation.

* * *

HOWEVER, the advocates of the proposal had failed to take into consideration the somewhat plebeian members of the city council and something in the nature of a sensation developed when it was learned that the aldermen did not take kindly to the proposal. It appears that a counter campaign had been organized and the leaders in this campaign pointed out that this was easily the most attractive and beautiful site in the diplomatic quarter and ought to be reserved for one of two uses. Either a new vice-regal residence should be erected upon it or it should be set aside as a site for the residence of the British minister or high commissioner when he is appointed to Ottawa next October. The city council held an indignation meeting and the news that leaked out to the press at once took root and there was an undoubted demonstration against giving the property to the United States or any other power, in preference to the Governor General or the British Minister.

The Board of Control, however, was not lightly to be turned aside and a deadlock followed. There were several days of ardent campaigning on both sides but the growth of sentiment in favor of reserving the site was so swift and strong that there was nothing further to be done than to apologize to Mr. Phillips and to withdraw the offer.

Being a man of sound common sense, the United States' Minister accepted the rejection with good grace and a few days later purchased another site for the legation.

Other People's Views

Canada and Australia Compared

The following enquiry has been received by the Boston News Bureau from a subscriber: 'We note the following quotations: Canadian 5s 1952, 107½; Australian 5s 1955, 97½. Can you point out any unfavorable element which causes this spread in price."

In reply, the Boston News Bureau says:

"The investment position of any government bond is determined by consideration of two factors; the character and resources of the obliger, and the character and value of the exchange medium in which the obligation is payable. Interest and principal of both the Canada 5s of 1952 and the Australian 5s of 1955 are payable in gold dollars at New York. Consequently the factor of currency, in the comparison of these two issues, is negligible.

"Canada and Australia and the bonds in question are of equal merit in many characteristics, among which may be mentioned tax provisions, governmental foundations, racial and mental character of peoples, and payment in respect to past obligations. Many differences are apparent, however.

"The population of Canada (9,364,000) is 50 per cent. greater than that of Australia (6,110,000) but national wealth, which is estimated at $22,482,000,000 is 100 per cent. greater than that of Australia, which is estimated at $11,000,000,000. Australia's most important industry is sheep raising, with agriculture and mining of a lesser degree of importance. Canada, while a very important agricultural country, is not dominated by that one industry. The Dominion has untold wealth in water power and minerals, and, with the influx of American capital has built the means of future production that should bring her prosperity for years to come. About one-quarter of the gainfully employed people of Canada, is now working in factories, the products of which in 1927 amounted to four billions of dollars. The wealth per capita and the debt per capita of Australia are $1,754 and $371 and for Canada $2,361 and $254. Ratio of national debt to wealth expressed on a percentage basis is 10 per cent. for Canada and 21 per cent. of Australia.

"Statistics on government revenues and expenditures for the two countries show that during four of the past ten years Australia's expenditures have been greater than revenues, whereas Canada has shown a surplus every year. In four of the past six years, Australia's imports have been greater than her exports; in the past four years Canada's exports have been considerably greater than imports, but in the previous two years, imports were slightly in excess of exports.

"Difference in price of these issues cannot be attributed to distance of Australia, but rather to the greater diversified wealth and progress of Canada."

Iron-Clad Contract Menaces Future of Western Pools, is Mr. Drury's Opinion

Thinks Pools Perform Useful Service and Would Not Like to See Them Disappear, But Feels Important Changes in Policy Are Essential

By HON. ERNEST C. DRURY.
Former Prime Minister of Ontario

Will the wheat pool go out of business? Will they
". . . dissolve
"And like the baseless fabric of a vision
"Leave not a wrack behind."

There are many, doubtless, who hope so; perhaps a few who think so. Dr. Robert Magill, Secretary of the Winnipeg Grain Exchange, speaking in Toronto recently, said—"The experiment of the Pool had to come. Our farmers demanded it, and they had a right to it. The pool satisfies the farmers, and some day we will know whether there is anything more to it than an interesting experiment."

Well, is there? Does this great business enterprise, the largest of its kind in the world, rest on a sound foundation, or is it no more than an "experiment," and liable to decay even more quickly than it has grown?

Depends on State of Mind

Let us first of all admit that the continuance of the Pool depends on nothing more tangible than a state of mind. It will last no longer than its members are satisfied with it. It is true that a condition of sudden hysteria is supposed to be guarded against by a five-year contract, but it is doubtful if this would be of much value in the face of general or even wide-spread dissatisfaction. The contract provides within itself a stiff penalty in case of violation, but, while this may be enforced so long as the offenders are only a few individuals here and there, it is almost certain that, for reasons of policy, if for no other, it could not be imposed if the contract-breakers were numbered in thousands. It is undoubtedly true that to a majority of the prairie farmers a contract is a sacred thing, to be observed conscientiously, for its own sake. But the Pool takes in, not only the intelligent and conscientious, but vast numbers, not too well-informed, who if Pool prices for a single year were unsatisfactory, would think themselves morally justified in breaking their contracts. Moreover, dissatisfaction even if it did not result in contract-breaking, might easily show itself in less violent form in failure to re-sign at the end of a contract-period. Such conditions, if they resulted in a seriously reduced membership, might severely test the permanency of the Pool. The results would almost surely be increased overhead in proportion to the business done, curtailment of services rendered, and a general discouragement which would impose a severe strain on the loyalty of the remaining members. Such a state of affairs too, would undoubtedly be made the occasion of a violent campaign by the enemies of the organization. What the results would be, are, to say the least, problematical.

Much Bootlegging Goes On

Already there is considerable contract-breaking, "bootlegging," as it is termed in the West. This is not as prevalent as some members of the Grain Trade assert, but it is much more common than Pool officials will admit. I found that business men and bankers, otherwise most friendly to the Pool, recognized the wide-spread nature of this offense, and the serious condition that would result if it were allowed to continue. At present it arises from no greater cause than the necessity of hard-pressed farmers, who, in order to meet their obligations, wish to realize the full cash price of their wheat, instead of, as when it is handled by the Pool, receiving a lower initial payment and waiting until later in the season for the balance.

In dealing with this question the Pool officials face a difficult problem. To allow "bootlegging" to continue will lead to wholesale disrespect for the contract, and to wide-spread demoralization. To enforce the penalty clause to the letter against all offenders will mean a serious fine imposed on those least able to pay, which, quite aside from the primary question of whether blood can be extracted from a stone, may easily result in a revulsion of popular feeling against the Pool. To enforce the penalty against a few ringleaders as a warning, may, or may not, be effective. It would seem that the time has come when in the interest of permanence, serious reconsideration should be given to Pool policy.

No Conflict Between Two Systems

So far, a great deal of the Pool propaganda has been based on the assumption that there was, of necessity, emnity between the older system of Commission selling, and the Pool system. This has probably been good policy from the standpoint of increasing Pool membership, since it is always easier to get a following by stirring up antagonism and distrust than by preaching peace and good understanding. It has, however, in this case, several disadvantages. In the first place it is not, and should not be true. In the second place it provokes reprisals from the Grain Trade, even from the formerly friendly United Grain Growers. In the third place it has produced, within the Pool itself, a fanatical and unreasonable devotion to a particular way of doing business, which may prevent a modification of policy which, in my opinion, should at this juncture, be made.

A lesson may be learned from the great and successful British Co-operatives. These wonderful organizations have been built up, not by waging war on ordinary trade, but solely on the merits of the service they have rendered and the ideal for which they have stood. With that fine sense of other people's rights and privileges which is in so marked a degree a characteristic of the British people, they have recognized that they have no reasonable grievance against the merchants who carry on their business for private profit, or against the public who buy from them. They go even further than this. They deal in the ordinary way of business, with those who are not their members. In doing so they neither disrupt their business nor compromise their ideals. They are a standing proof that co-operative and the established methods of business can exist side by side without destroying each other.

The Pools of the West could with profit recognize this truth. It is not true, as President C. H. Burnell, of the Manitoba Pool stated at Portage la Prairie, that here are two rival systems, one of which must be destroyed. The Grain Trade will not be destroyed by the Pool, and it would be a calamity if the Pool were destroyed by the Trade. The Pool should recognize the fact that there will always be those who prefer to sell their grain through the older channels of trade, and that it can have no reasonable quarrel either with them, or with the commission houses who serve them. The grain trade, on the other hand, has no grievance because some thousands of farmers have chosen to do business together under a new method. Instead of active antagonism, a state of mutual tolerance should exist, each recognizing the right of the other to live, and competing for public favor on the basis of service rendered. Such a condition would, I am convinced, be best for all parties.

If such an attitude were adopted the Pool could consistently so readjust its policy as to deal effectively with the problem of contract-breaking. The irrevocable contract, a la Sapiro, has been made a cardinal principle of the Western Pools. It is by no means certain that this is necessary or even wise. It is well to remember that, before the coming of Sapiro to Alberta in 1923, three proposals for pools had been brought forward by various farmers organizations of the West, and that only one of the three was based on this form of contract. Those responsible for these proposals were men of long experience in the handling of grain, and at least ought to have

(Continued on page 9)

Mr. Drury Winds Up Wheat Pool Articles

Some suggestions, based upon the observations of a friendly but independent observer, are made to the Western wheat pools in this article by Mr. Drury. This is the fourth of Mr. Drury's articles on the Western wheat pools and the eighth in the series of articles he has prepared exclusively for this paper, all dealing with phases of the farm movement in Canada.

As has been hitherto explained, Mr. Drury's articles are reflections of his opinion and Mr. Drury has not been asked to conform to the editorial policy of The Financial Post.

The purpose of this series of articles has been to interpret to business Canada the viewpoint of the farmers.

"Stop Me If You've Heard This One"

A census taker was census taking in the black belt. A young colored woman, seated before her cabin door, answered his questions while she trotted a baby on her knee, but between the baby's bawling and the young woman's efforts to quiet it, small progress could be made.

Finally the census taker laughed and said:

"The little chap is spoiled, isn't he?"

"No, sah; oh, no sar," said the young woman, earnestly. "Dat's de way all little cullud chillun smell!"

Comments

Remarkable Remarks by Interesting People

James J. Davis, U. S. secretary of labor: "Nobody is old at any age."

* * *

Charles B. Roberts: "Strict honesty in business dealings, while a beautiful ideal, is almost impossible."

* * *

Rabbi Isserman, Toronto: "Mother India is the product of a slumming trip."

* * *

Dr. Robert Magill, secretary of Winnipeg Grain Exchange: "Scientific research is needed to save Canada from eventually losing its great wheat crop."

* * *

Mr. Speaker (in the House of Commons): "I may say that to characterize an hon. member of this house as being a representative of the manufacturers is rather a stigma."

* * *

S. Sedelmeier, of Alexander Hamilton Institute: "There are four points in successful advertising, simplicity, genuineness, persistency and vision."

* * *

Archbishop of Canterbury: "It is a misfortune that there are no outstanding figures to-day, but it may be that everyone has been raised higher, so that the peaks do not loom so high to-day."

* * *

Alice Foote McDougall, famous New York coffee-shop owner: "Success in business for women is as easy as two and two make four, but you pay a great price for it, and in addition to the price you know you pay, in health, in leisure, in complete loss of reticence and traditions, you pay the much greater one of loss of a husband's society, or even part of his society. Half a husband is better than none."

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Background of Canadian Business

By JOHN E. LANGDON,
Business Editor, The Financial Post

WEEKLY REVIEW OF CONDITIONS

Credit Facilities Are Ample for Current Needs
Early Returns Point to a Record Building Year
Encouraging Note Seen in Iron and Steel Trade
Further Improvement Expected in Automobile Demands
Foreign Trade During February Takes Upward Trend

THERE is a scarcity of new constructive developments in the Canadian business situation, which, in other years, would give rise to a feeling of uncertainty. On the other hand, news of a discouraging nature also is lacking, so that any opinion on the current situation must be based almost entirely on such information as can be gleaned from current business indices.

Judging by the bank returns at the beginning of February credit facilities are more than ample for present needs. Much new and refunding financing has been carried out by corporations in the past year so that the working capital position of the majority of the larger industrials is such as to make them independent of bank loans.

Call Loans Mislead

Meantime savings have been increasing, despite the fact that the public are still very much interested in investing their funds in stocks and bonds. The banks, however, have taken steps to curb speculation by reducing loans to brokers. Thus the call loan comes in for a lot of attention. Unfortunately the statement does not present a true picture of the credit situation. While an increase or decrease of several millions in loans is of interest, what the business man wants to know is the ratio between call loans and assets, together with comparative figures for the previous year. When such a ratio is available, it will be possible to determine at a glance the true credit situation.

Active Building Season

Meantime one of the most encouraging signs of business activity in the Dominion is to be seen in the construction industry. Although 1927 was one of the best years experienced since 1914 in the matter of new building undertaken, returns for the last two months presage another active year in the construction and allied industries.

The value of building permits issued during February last was higher by 35.9 per cent. than in the preceding month and by 35.2 per cent. than in February of last year; the total stood at $10,323,405 during the past month, as compared with $7,712,604 in January, 1928 and $7,638,176 in February, 1927.

New Brunswick and the four Western provinces reported increases in the value of permits issued, as compared with January, 1928, while elsewhere comparatively small declines were indicated. As compared with February, 1927, Quebec, Manitoba, Saskatchewan, Alberta and British Columbia registered improvement. The decreases in the remaining provinces were small.

Material Values Lower

One of the principal reasons given for this improvement is the fact that building material values continue lower than at any time since 1920. On that account, it is to be expected that the volume of building to be undertaken during the balance of the current year will continue along the same high levels as in the past two months and that the cumulative total for the year will show an appreciable increase over that of 1927.

Steel Outlook Favorable

Although the report on the iron and steel production for the past month is not available, indications are that production will establish a mark considerably higher than in January or the corresponding month last year. In addition to the larger volume of construction and its attendant demands for structural steel, various iron and steel using industries report greater activity. Not only is the domestic demand maintained, but there is an increase in exports.

Improvement in the automobile industry has further stimulated the primary iron and steel industry. The railroads have also placed a number of large orders which will keep the rolling mills active for some time to come. When the motor car makers place their plants in full operation, which should be shortly, further orders for iron and steel will be forthcoming.

Conditions in the automobile industry have been somewhat cloudy in the last two or three months. The eminence of a price war has been talked on all sides and while the majority of manufacturers have reduced prices, it is not likely that the situation will get out of hand. The amount of new business in sight is considerable. There has been a good volume of buying of late but there should be a marked improvement with the opening of spring.

Foreign Trade Expanding

The country's foreign trade in February was interesting in several respects. Though there was an extra day, imports were much above the average of the past four years. The same applies to exports, though the surplus this year only amounts to about $2,500,000. Less thought is now being given to the "favorable" balance. Its importance is not to be minimized, but on the other hand, the business man realizes more clearly that trade figures disclose more than the mere fact of a credit or debit balance.

The reason for the increase in imports is not entirely clear. On the assumption that domestic trade reflects imports, conditions should be a great deal more active than they are. However, it is apparent that the physical volume of business to date has been greater than last year, though whether the increase is in the same ratio as imports, will be determined later. It is a good sign, however, that we are importing larger quantities of goods. Whether these are in a manufactured or partially finished state will be disclosed when complete returns are available.

Exports Are Higher

Much the same situation exists in regard to exports. February's foreign shipments were over $10,000,000 ahead of the corresponding figures of last year. Wheat and wheat flour exports have increased, as also have rubber manufactures. It is not possible to determine whether the major share of the increase in exports has been due to an increase in export of foodstuffs or to processed products. It may be that a general increase all round has taken place. In any event the advance in exports is to be taken as an encouraging sign.

The volume of freight shipments declined during the week of March 10, as compared with the corresponding period of 1927. There was also a slight decline from the previous week. Analysis of the returns show that there has been a general decrease in the movement of freight, with the exception of miscellaneous forest products, ore, and merchandise. Grain and grain products show the largest decline.

Cumulative totals for the current year, however, show up more favorably. From the beginning of the year to March 10, 627,306 cars of freight were loaded on Canadian railways, as compared with 603,596 and 548,885 cars in the corresponding periods of 1927 and 1926. Livestock, lumber and pulpwood are the only items to register a smaller volume. Grain and grain products account for a large share of the increase.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Latest This Year	Latest Last Year	Cumulative for Year This Year	Cumulative for Year Last Year
		Weekly		
Car Loadings (Mar. 10)	62,497	65,028	627,306	603,596
Stock Price Index	321.0	132.3	......	......
(Traders—March 8)—				
C.P.R. Gross Earnings (Mar. 14)	$ 3,674,000	$ 3,483,000	$ 36,998,000	$ 34,108,000
C.N.R. Gross Earnings (Mar. 14)	$ 4,702,996	$ 4,501,801	$ 47,643,424	$ 43,582,412
Production—		Monthly		
Pig Iron, tons (Jan.)	65,006	51,717	65,006	51,717
Steel, tons (Jan.)	84,295	58,551	84,295	58,551
Newsprint, cwt. (Feb.)	189,822	151,986	377,671	313,710
Automobiles (Jan.)	8,463	15,376	8,463	15,376
Boots and shoes, pr. (Jan).	1,482,914	1,407,163	1,482,914	1,407,163
Flour, bbls. (Dec.)	1,767,000	1,715,000	17,701,000	18,907,000
Construction—				
Building Permits (Feb.)	$ 10,323,405	$ 7,638,176	$ 18,036,009	$ 18,314,713
Contracts (Feb.)	25,875,200	19,517,000	46,355,200	36,289,000
Labor—				
Employment Index (Feb.)	100.8	95.4	......	......
Trade (February)—				
Imports	$ 86,006,897	$ 74,706,654	$ 165,513,314	$ 153,512,286
Exports	$ 84,427,743	$ 85,266,000	$ 84,427,743	$ 85,266,000
Imports of Key Products—(Jan.)				
Rubber, lbs.	5,129,462	4,366,000	5,129,462	4,366,000
Cotton, lb.	19,634,668	21,278,000	19,634,668	21,278,000
Sugar, cwt.	364,827	636,054	364,827	636,054
Petroleum, gal.	58,501,050	52,222,000	58,501,050	52,222,000
Coal, tons	1,223,788	1,562,996	1,223,788	1,562,996
Exports of Key Products—(Jan.)				
Newsprint, cwt.	3,149,326	2,846,574	3,149,326	2,846,574
Automobiles, No.	3,502	7,480	3,502	7,480
Wheat, bush.	15,200,789	12,571,034	15,200,789	12,571,034
Wheat flour, bbls.	765,792	773,981	765,792	773,981
Electric Power—Output—				
M. Kilowatt hours (Jan.)	1,317,736	1,131,212	1,317,736	1,131,212
Population—				
Emigration (Nov.)	7,055	8,186	*39,549	*43,510
Immigration (Dec.)	4,566	5,415	152,980	136,084
Finance—				
Failures, No. (Jan.)	197	191	197	191
Failures, Liabilities (Jan.)	$ 2,811,418	$ 2,626,292	$ 2,811,418	$ 2,626,292
Bank Debits (Jan.)	$3,399,000,000	$2,619,000,000	$3,399,000,000	$2,619,000,000
Bond Sales (Feb.)	$ 10,583,909	$ 22,266,471	$ 47,468,317	$ 74,149,629
Insurance Sales (Jan.)	$ 47,569,000	$ 36,968,000	$ 47,569,000	$ 36,968,000
Wholesale Prices (1913-100)—				
General Index (Feb.)	150.8	150.3	......	......
Iron	142.1	144.4	......	......
Cotton, raw	152.6	116.6	......	......
Grains	162.6	157.7	......	......
Cattle	148.3	103.9	......	......
Rubber	54.4	60.0	......	......

(*Fiscal year ended July).

Business Conditions in United States

Measured by the volume of cheques passing through the banks for payment, business in the United States during the week ended March 10, was greater than in either the previous week or the same week of 1927, according to the weekly statement of the Department of Commerce. Although the general level of wholesale prices showed a slight recession from the preceding week, prices for iron and steel and wheat averaged higher. Contrasted with a year ago, wholesale prices were generally higher.

Loans and discounts of Federal reserve member banks showed no change from the previous week, but were considerably higher than in the corresponding period of last year. The Federal reserve ratio, averaging higher than in the preceding week, showed a decline from the same week of 1927. Loans to brokers and dealers, by Federal reserve member banks in New York City, again receded from the previous week. Prices of stocks listed on the New York Stock Exchange averaged higher than in the preceding week, being higher also than a year ago. Bond prices, showing no change from the previous week, recorded an advance over the same week of last year. Interest rates on call loans averaged lower than in the previous week, but were higher than a year ago. Time-money rates, showing no change from the level prevailing during the last few weeks, were higher than a year ago. Business failures were less numerous than in the previous week, but larger than in the corresponding period of 1927.

Production of bituminous coal during the week ended March 3 showed declines from both the preceding week and the corresponding week a year earlier. The output of lumber during the same week was lower than in the previous week but showed a considerable gain over the corresponding week of last year. Beehive-coke production, making a slight gain over the preceding week, was only about half as large as a year ago. Petroleum production expanded slightly over the previous week, but was substantially lower than in the same week a year earlier. Receipts of wheat at primary markets showed gains over both prior comparative periods. Receipts of cattle, on the other hand, were lower than in either the previous week or the same week of 1927. Hog receipts, showing a decline from the previous week, were considerably larger than in the same week of last year.

WEEKLY BUSINESS INDICATORS

(Weeks ended Saturday. Aver 1923-25=100)

	1928 Mar. 3	1927 Mar. 5
Bituminous-coal production	103.1	136.1
Lumber production	101.4	90.0
Beehive-coke production	39.6	76.3
Petroleum production (daily av.)	113.2	118.3
Freight-car loadings	....	103.8
Bldg. contracts* 37 states (daily av.)	....	101.3
Wheat receipts	74.0	57.7
Cotton receipts	45.4	96.9
Cattle receipts	69.3	76.6
Hog receipts	119.7	82.0
Price No. 2 wheat	112.0	96.5
Price cotton middling	69.5	53.3
Price iron and steel composite	86.5	88.8
Copper, electrolytic, price	100.0	95.7
Fishers price index	96.9	93.8
Bank loans and discounts, total	121.2	114.4
Debits to individual accounts	123.7	134.0
Interest rates, call money	109.1	100.0
Business failures	126.8	117.9
Stock prices	182.4	150.3
Bond prices	110.6	107.5
Interest rates, time money	105.7	100.0
Federal reserve ratio	95.6	101.3

WESTINGHOUSE HAS HEAVY YEAR AHEAD

Is Completing Large Electric-Heated Brass Foundry in Hamilton

From Our Own Correspondent

HAMILTON.—All indications point to an exceptionally heavy production year for the Canadian Westinghouse Co. Construction work on new plants and plant additions is being rushed forward as rapidly as weather permits. What is claimed to be the largest and most modern electric-heated brass foundry on the continent is now being completed at the West End Plant at Aberdeen Street, after months of strenuous labor. This new addition will not only greatly increase production, but will also effect substantial economies in manufacture. Other large extensions of plant are also under way elsewhere, and the present year's output from all plants is expected to greatly exceed that of any previous year.

One of the new plant additions recently completed is the new service and warehouse building at 355 King Street West, Toronto. This building has been erected and specially equipped as a central service station for Ontario, and will also be used for the filling of orders in that district, and the repairing of equipment of all kinds, and will maintain a staff of engineers and experienced workmen for erecting and installation work.

Total revenue received by New Brunswick from game licenses during the fiscal year amounts to $50,715.44.

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NEW ISSUE

$1,000,000
Canada Gypsum and Alabastine, Limited
6% 20-Year Convertible Sinking Fund Gold Debentures

To be dated March 1st, 1928, maturing March 1st, 1948. Principal and semi-annual interest payable in Canadian gold coin or its equivalent at The Canadian Bank of Commerce, Paris, Ont., Montreal, Toronto, Halifax, Saint John, Charlottetown, Quebec, Ottawa, Hamilton, Winnipeg, Edmonton, Calgary, Regina, Vancouver or Victoria, or, at the option of the holder, in United States gold coin or its equivalent at the Agency of The Canadian Bank of Commerce, New York, or in Sterling at The Canadian Bank of Commerce, London, England, at the fixed rate of $4.86⅔ to £1. Coupon Debentures, denominations $1,000 and $500, with privilege of registration as to principal. Redeemable at a premium of 5% up to and including February 28th, 1929, and thereafter up to and including February 28th, 1947 at a premium of 5% less ¼ of 1% for each calendar year or part thereof of their currency, and after February 28th, 1947 until maturity without premium; in each case with accrued interest. Trustee: The Royal Trust Company.

CAPITALIZATION
(On completion of this transaction)

	To be Authorized	To be Outstanding
First Mortgage Sinking Fund Gold Bonds	$4,000,000	$2,500,000*
6% 20-Year Gold Debentures (this issue)	1,000,000	1,000,000
Common Shares, no par value	100,000 shs.	75,994 shs.

*of Series "A", 5½%.

Debentures will be convertible at the holder's option into Common Shares of no par value at the rate of 10 such Common Shares for each $1,000 Debenture, at any time prior to March 1st, 1933. Should termination of rights be brought about through redemption of Debentures or otherwise, this conversion right may be exercised within the period provided in the Indenture.

Descriptive circular, copies of which will be supplied upon request, contains a letter from Mr. R. E. Haire, President of the Company, from which he summarizes:—

THE COMPANY: Canada Gypsum and Alabastine, Limited, is the largest Canadian manufacturer of gypsum products; the sole producer in Canada of "Alabastine," and a large manufacturer of hydrated lime and other lime products. The business of the Company and its predecessors has been in successful operation since 1886.

The Company is now acquiring the business and properties of Manitoba Gypsum Company, Limited, which has for many years carried on the manufacture of gypsum products, lime, etc., and of its subsidiary British Columbia Gypsum Company, Limited. On acquisition of these properties, the Company will control the total present production in Canada of "Gyproc" Wall Board, Blocks, Laths, Partition and Roof Tiles, manufactured from gypsum, "Insulex" and "Alabastine," and will be one of the largest Canadian producers of hard wall plaster, Plaster of Paris, hydrated lime and other lime products.

PROPERTIES: The plants and properties of the Company and those being acquired include mills at Caledonia and Lythmore, Ont., Montreal, Que., Winnipeg, Man., and Port Mann, B.C., for the manufacture of gypsum products and in addition, plants at Paris, Elora and Teeswater, Ont., for the manufacture of "Alabastine," plaster, lime, etc. The Company controls at Caledonia, Ont., adjoining its principal eastern mill, a developed mine containing large reserves of raw gypsum and will control at Gypsumville, Man., the only developed gypsum deposits in Manitoba, estimated to contain practically an unlimited supply of raw gypsum; and an additional mine at Falkland, B.C. Other developed mines are owned or controlled by the Company at Lythmore, Ont. and Mabou, N.S.

SALES AND MARKETS: Consolidated sales have increased from approximately $2,206,640 for the year 1923 to $4,175,342 for the year 1927, largely through development of gypsum wallboard, blocks and other gypsum products, which are nationally advertised and are sold by an efficient organization throughout Canada. Export demand from Great Britain, New Zealand and other countries is growing and will be supplied from Montreal and British Columbia plants.

VALUE OF CONSOLIDATED ASSETS: Fixed assets, comprising freehold and leasehold lands, buildings, equipment, mining lands held in fee, mining leases, licenses and rights and mining development thereon, have a present value, based upon appraisals by the Canadian Appraisal Company, Limited, together with recent additions and the Nova Scotia property, of $4,297,785.

Net current assets (working capital) on giving effect to this transaction as at December 31st, 1927, according to the Company's balance sheet, amount to $804,624.

Consolidated fixed and net current assets as above (exclusive of valuable patent rights, goodwill and sundry assets), therefore, amount to $5,102,409, equivalent, after deducting $2,500,000 First Mortgage Bonds, to $2,602,409, as against $1,000,000 Debentures now to be outstanding.

EARNINGS: Based upon annual profits of the Company for the three years ended May 31st, 1927, and of properties now being acquired for the three years ended October 31st, 1927, consolidated annual profits, after depreciation and depletion, but before Dominion income tax, and available for bond and debenture interest, were: 1925, $303,438; 1926, $399,534; 1927, $557,701.

Earnings on the same basis for the year ended December 31st, 1927, were $645,146, equivalent after deducting interest on First Mortgage Bonds now to be outstanding to 8.4 times the annual interest requirement of these Debentures.

SINKING FUND: The Trust Indenture will provide for an annual cumulative sinking fund for the redemption of Debentures of a sum equal to 3% of all Debentures issued, plus interest on those redeemed, commencing September 1st, 1929. It is estimated that this will be sufficient to retire at par by maturity the Debentures now being issued. In addition, an amount equivalent to 25% of the amount paid in any year by way of dividend in excess of $3 per common share shall also be paid to the sinking fund.

We offer these Debentures for delivery if, as and when issued and received by us, and subject to the approval of counsel of all proceedings, at—

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The above statements are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.

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Pulp & Paper

PORT ALFRED'S BALANCE SHEET REVEALS LITTLE

Production Figures Give Much Better Idea of Corporation's Strength

From Our Own Correspondent

MONTREAL.—It takes more than a superficial glance at the recent annual report of the Port Alfred Pulp and Paper Corporation for 1927 to obtain a true picture of that organization's operations. While profits on the common during the year increased from $2.30 a share in 1926 to $6.80, yet with these figures must be taken into consideration the president's remarks in which he points out that Port Alfred produced during the year 75,761 tons of newsprint and 40,574 tons of sulphite pulp.

The rated capacity of Port Alfred's mills is 400 tons daily. On a 300 operating days a year basis, this gives the company's newsprint plant an annual capacity of 120,000 tons of newsprint. But only 75,761 tons were produced. Hence, Port Alfred's newsprint mill must have operated only at about 62.5 per cent. of its capacity during the year.

Lower Than Other Mills

For many months past, the Newsprint Bureau has shown a figure averaging around 82 per cent. as the average scale of operations being maintained at the Canadian newsprint mills. This figure, of course, is materially in excess of the percentage of capacity at which the Port Alfred mill operated in 1927.

However, Port Alfred naturally could not maintain a scale of operations comparable to the older mills in the business which have been operating for years and which already have their customers. Hence, with the present hesitancy in the demand for newsprint, Port Alfred, as it is one of the newest producers, has had to bear more than its share of the depression existing in the industry.

From the production figures it can be seen that about 65 per cent. of the output last year consisted of news and the remaining 35 per cent. was pulp. Probably, the sulphite pulp department of the company's activities operated at a greater scale of capacity than its newsprint mill.

Sulphite Market Off Too

However, the sulphite market has been weak which naturally had its effect on the corporation's earnings. Nevertheless, Port Alfred's pulp production has always been popular with buyers and it can be presumed that the scale of operations in the sulphite mill have been maintained at a higher rate of capacity than in the newsprint mill.

On its total production of 116,000 tons of pulp and paper last year, the company earned $816,000 applicable to the common stock after meeting all charges including preferred dividends and depreciation. This works out to about $8.16 a ton.

Obviously, with the hesitant situation which prevailed in the markets for both newsprint and sulphite, with the newsprint mill operating at only about 62.5 per cent. of its capacity, and with earnings per ton after meeting preferred dividends of $8.16, it is apparent that Port Alfred's position is much stronger than is revealed by an analysis of the balance sheet and its income account for the 1927 year.

250 Ton N.S. Mill to Have Power Plant

From Our Own Correspondent

MONTREAL.—The Newsprint mill to be erected in Nova Scotia by I. W. Killam, president of the Royal Securities Corporation, will have an initial capacity of 250 tons of newsprint daily. This production may eventually be increased to between 300 and 400 tons a day. The project involves an expenditure of some $12,000,000.

When the mill gets into operation, it will not draw wood from leased crown lands, but will purchase timber at fair prices on a stumpage basis from crown lands. However, the majority of the wood used in the mill will come from lands owned chiefly by the company in fee simple.

Neither I. W. Killam nor the provincial government has announced the location of the projected plant. The project includes the construction of a 20,000 h.p. hydro-electric development. Construction work will begin this year and it is hoped that actual production of paper will begin by January 1, 1930.

An important feature in the agreement between the government and the interests undertaking the development is that the company undertakes to hold for manufacture in the province all the wood taken from the land involved in the undertaking—including fee land as well as crown lands.

Dryden Paper Has New Source of Profit

From Our Own Correspondent

MONTREAL.—It is understood that a new source of profit has been opened by the Dryden Paper Company through the final conclusion of a contract between Dryden and the Bates Valve Bag Company, of Three Rivers, Que., which will cover the use of Dryden kraft paper for the manufacture of bags over a period of the next five years.

The bag company is now operating at Three Rivers, where it makes paper bags for holding cement. It has agreed to establish a plant near the Dryden mill. The contract will provide an outlet for Dryden of 2,000 tons of kraft paper during the first year, the amount increasing as business in the West expands, and the uses of the paper for cement containers and other purposes increase.

International Paper Retains Subsidiary

From Our Own Correspondent

MONTREAL.—The application for the appointment of a receiver for the Continental Paper and Bag Mills Corporation, a subsidiary of the International Paper Company, has been adjourned until March 20. It may possibly be adjourned even further. International Paper made an offer of its preferred shares to the bondholders of this subsidiary. Most of the bondholders accepted the offer—but some minority interest held out and demanded that the property pass into the hands of the receiver as the bond interest had been defaulted. As the parent company now holds the majority of the bonds of its subsidiary there seems no possibility of the property passing into the hands of new owners.

Cornish Joins Timmins

John N. Cornish, well known amongst the younger investment men of Montreal, has joined the staff of the brokerage firm of J. R. Timmins and Company.

Swedish Strike Aids Mills Here

Pulp Markets Show Marked Signs of Hardening

From Our Own Correspondent

MONTREAL.—The strike in the Swedish pulp and paper mills seems certain to benefit the Canadian pulp and paper industry materially. The strike in the pulp mills has now lasted ten weeks and about two weeks ago the paper mills also shut down. Statistical experts in the pulp and paper industry feel that the strike has assured a much firmer market for pulp on this continent during the remainder of 1928 and that with the continuation of a shutdown in Sweden, higher prices in North America are in prospect. It is felt by those with a knowledge of the situation that the position of the Canadian sulphite mills has been materially bettered.

Owing to the large accumulation of stocks in the consumers' hands throughout the world, the strike and the consequent loss of production has not yet, however, been seriously felt. The market for chemical pulp, though, is hardening and its control seems to be passing from buyers to sellers. Prices have even been advanced on some grades of bleached bleached sulphite and stocks on hand at the Canadian bleached sulphite mills are being liquidated.

The strike has occasioned on world markets a loss of some:

20,000 short tons bleached sulphite.
150,000 short tons unbleached sulphite.
70,000 short tons sulphate.
110,000 short tons groundwood.

In 1927 the U. S. imported the following tonnage from Sweden:

51,000 short tons bleached sulphite.
335,859 short tons unbleached sulphite.
202,604 short tons sulphate.
5,981 short tons groundwood.

BATHURST POWER PLAN AUTHORIZED

Company to Develop 5,000 Horsepower on Nepisiguit River in Two Years

From Our Own Correspondent

MONTREAL.—Bills have passed the New Brunswick legislature which reveal the fact that the new Bathurst Power & Paper Company within the next two years will spend half a million dollars, at least, on developing the power resources of the company. The bills allow the company one year to start the power project and two years in which to complete the undertaking. Figuring that each developed horsepower costs $100, this means that the Bathurst Power & Paper Company will develop around 5,000 horsepower on the Nepisiguit River.

When the Bathurst Power & Paper Company recently acquired the property and undertakings of the predecessor company it acquired also the right to develop power, but the new owners of the property under the old leases would not have had sufficient time to plan and to erect the projected hydro undertaking. Hence, bills were introduced into the provincial house which further extended the time for the commencement and completion of the power project.

Many Oil Leases Filed

A total of 9,708 leases covering 1,199,267 acres are held in Alberta, according to the annual report of the Department of the Interior. Oil production from wells on these lands for the year ending March 31st, 1927, is given as 250,000 barrels with an estimated value of over $1,000,000.

Vancouver Grain Exports

Exports of western grain from Vancouver for the current crop year totalled 49,800,585 bushels to March 15th, according to the weekly report of the Board of Harbor Commissioners.

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ST. MAURICE CORP. PRODUCED 82.4% OF ITS CAPACITY

Production Figures in Annual Report Indicate Position Clearly

From Our Own Correspondent

MONTREAL. — The St. Maurice Valley Corporation published its production figures for 1927 in its annual report; these are interesting for those statistically inclined.

For instance, during the year, St. Maurice produced 226,203 tons of newsprint. Dividing this figure by 300, the number of operating days in the year, an average daily production of 754 tons of newsprint is obtained.

But the mills of the corporation have a daily capacity of 915 tons. Of this figure 750 tons daily amounts to 82.4 per cent. Hence it can be assumed that during the year just concluded the mills operated on the average at around this figure of their rated capacity. The 82.4 per cent. figure is virtually identical with the figure which the Newsprint Bureau has prepared showing the average operations of the Canadian mills in recent months.

Has Other Production

In addition to its output of newsprint last year, the corporation produced 18,283 tons of kraft pulp, 6,489 tons of wrapping paper and 3,900 tons of book and writing paper. Comparing the total of these figures with the total newsprint output it will be found that there is about 8 times as much newsprint produced as other grades of pulp or paper. Or in other words, about one-ninth of the St. Maurice Valley Corporation's output consists of pulp and paper other than newsprint. During the current year though, it is thought that the corporation will increase materially its output of grades other than newsprint.

The figures reveal also that after meeting all charges and preferred dividends, total earnings on the common stock amounted to about $4 per ton of output. All of which indicates that despite the quietness of the demand for newsprint, the St. Maurice Valley Corporation enjoys a satisfactory position.

Demand Not Reduced

Any increase in the demand which would allow the mills to operate at a higher percentage of their capacity would naturally increase profits on a per ton of output basis.

The reason why the mills have not been operating at capacity lies, not in any falling off in the demand, but to the over expansion of the industry. Consumption of newsprint in the States in 1927, however, showed only an insignificant increase compared with 1926. It is felt that due to the presently prevailing spotty business conditions in the States that actual consumption in that country this year will not increase much over 1927. But in any event, the mills of the St. Maurice Valley Corporation should be able to operate on the average at as high a level of capacity as last year due to the fact that following the over expansion of the industry, new mills and new machines are not being installed with the rapidity experienced in 1927 and in preceding years.

N. S. Wood Fibres Incorporated

Nova Scotia Wood Fibres, Ltd., is the name of a company incorporated under the Nova Scotia Companies Act to manufacture wood silk, silk fibres, pulp, paper, insulating board and all their products and by-products, etc. The head office is to be Halifax, and the capitalization is $15,000,000.

Australian Treaty Supported on Coast

Discussing the Canada-Australia treaty in his annual address, President Robert McKee of the Vancouver Board of Trade, said:

"The exports of Canadian products to Australia for 1927 nearly reached the $19,000,000 mark, as compared with a fraction over $12,000,000 in 1926. Australia sent to Canada in 1927 a little over $6,250,000 worth of merchandise, compared to a little over $2,500,000 in 1925.

"Critics of the treaty will be well advised to study these statistics before unduly condemning the arrangement, which has, so far, proved to be of great material benefit to Canada."

NOW EVEN TORIES ARE BELABORING AUSTRALIAN PACT

Ottawa Forgets What Treaty Has Done For Newsprint

From Our Own Correspondent

OTTAWA. — The Australian Treaty is in danger of becoming a political issue between government and the opposition and unless those who benefit from it, make their influence felt upon the Conservative party at Ottawa, the day may not be far distant when the trade agreement will have to be abrogated to pacify noisy minorities.

The Australian government is not well satisfied with the way the treaty has worked out and, in Canada, the butter and confectioners industries are strenuously opposing the continuance of the agreement. The dairy industry were in Ottawa again renewing their protests and this time they were joined by the confectioners, who declared that the treaty had enhanced the domestic price of dried raisins and currants.

Bennett Condemns Treaty

The Conservative party in its official amendment to the budget declares that the government should protect the dairy industry, and speaker after speaker from the opposition benches has assailed the treaty. Hon. R. B. Bennett, in his budget speech, condemned the treaty in unqualified language.

About the only political support which the treaty has at the present time is in the unwillingness on the part of the government to abrogate it, which would be taken as an admission that they got the worst of the bargain. Mr. Robb is extremely sensitive to criticism in regard to trade treaties and undoubtedly he will support the agreement as long as there is a shred of sympathy for such a course within the party. However, many liberals in the western provinces and in south-western Ontario represent farming communities and the dairy industry has done a great deal of missionary work in these areas against the treaty, with the result that these members are finding it a somewhat heavy political burden to carry.

In all the discussion, Ottawa seems to have lost sight of the great benefits the treaty has conferred upon the Canadian pulp and paper industry.

'VICTORY' HOLDERS SEEK NEW OUTLET FOR THEIR FUNDS

Approaching Maturities Cause Many to Survey Bond Market

Near approach of the maturity of a number of Victory loan issues, has caused numerous inquiries to the Financial Post as to the advisability of disposing of present holdings and reinvesting in higher yielding bonds of a similar character.

In practically every instance the inquirer makes reference to the lower trend of interest and the desirability of reinvesting now before rates go lower.

During the past six months the bond market has displayed exceptional strength. While in the early part of this month there was a slight easing off of prices, the market as a whole is far above the average prevailing last year.

Reinvestment Strong

One of the primary causes leading up to this state, has been the large amount of money available for reinvestment which has caused a scarcity of seasoned issues and the ready absorption of new ones. Consequently brokers' lists have been particularly lean recently and bidding for new issues has caused the interest rate to drop to lower levels.

So far this year there has been comparatively little financing. Comparison of new public offerings since January with the corresponding period of last year is unfavorable for 1928.

It may be that succeeding months will bring a larger volume of financing, especially in corporate issues, but it is unlikely that Government and municipal issues will be as large as in 1927. The Dominion Government proposes to carry out some refunding, but this will in all likelihood not take place until late fall.

Meantime, the many holders of Victory bonds are asking whether they should sell and how they can reinvest their money in securities of equal calibre. To the large investor with wide diversification this problem does not assume the dimensions that it does to the one of limited means. Where an investor is seeking primarily safety of principle, industrial and foreign bonds are unattractive.

Better to Hold

On looking over the market for Dominion, provincial and municipal bonds, the hopelessness of securing a long term bond which will yield as much as the now short-lived Victories is apparent. The change of holdings by the small investor would prove expensive and it is doubtful if he would secure any advantage. It would be better, therefore, to hold these Federal issues until maturity and then transfer to the refunding issue, if one, or reinvest in such long term Government bonds as are then on the market.

Money for Repatriation

Provision for the expenditure of $50,000 a year by the Quebec government for the repatriation of Canadians who have left the province has been made on the understanding that the Federal government is to contribute a like amount for the work.

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Your Investments

Investment questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write mining and insurance inquiries on sheets separate from other investment inquiries.

Industrial Alcohol

What do you think of Canadian Industrial Alcohol shares as a purchase for a business man?

Canadian Industrial Alcohol stock is one of the two most attractive distilling stocks in Canada for a hold. The company's record is excellent.

Gilt-Edged Bonds

I have a few thousand dollars for investment. Can you suggest some gilt-edge short term bonds? Safety would be the first consideration.

We think that Victory bonds would be suitable for investment by you. These would provide you with a maximum of safety, combined with easy marketability.

International Petroleum

What is the future outlook for the shares of the International Petroleum Company?

International Petroleum has increased its output substantially and with any betterment in the market for crude oil the company should prosper even more in the future than it has done in the past.

Building Products

What are the developments in Building Products which brings the St. Maurice Valley Corporation into the picture? Is the stock a good purchase?

The company has entered into a partnership with the St. Maurice Valley Corporation in a new subsidiary company to manufacture insulating boards and similar products. It is our opinion that as a business man's speculation for a six months or a year or perhaps more, Building Products shares are extremely attractive. It must be remembered though, that they have a speculative tinge.

Toronto Baseball Co.

I have been requested to obtain some information on the following securities: National Realty Corporation, Ltd. and the Toronto Baseball & Athletic Co.

We shall be glad to have your opinion on these securities.

The latest information we have on the National Realty Corporation, Limited, is that the company is experiencing a fair measure of success. We understand that earnings at present are sufficient to cover the bond interest requirements two times over.

The Toronto Baseball and Athletic Club Co. has only been making fair progress. This stock is rather speculative and we do not see any advantage in holding it.

International Paper

I am thinking of buying some International Paper shares. Would you recommend this? Is the company connected in any way with the International Power Company?

No, International Paper is not connected in any way with the International Power Company.

It is said that during the first quarter of the current year the International Paper Company will not earn its common dividends. However, if the company were making large earnings on its common stock the shares would be selling much higher than at present. In our estimation the stock can be regarded as a business man's speculation—a speculation with many attractions in view of the company's large expansion program which is now nearly completed and its large power holdings.

If you have a diversified list of business man's speculations in your investment holdings, we think you would be well advised to include some of the common shares of International Paper, which over three years, provided nothing desperate happens in the paper industry, should show you a substantial appreciation. The company is ably managed.

Preferred Stocks

Would you kindly give me your opinion of Tamblyn pref. and Zimmerknit pref. as investments? At present prices the yield would be good. Could you tell me if the companies are in good standing and well managed? I have plenty of trust funds.

Both Tamblyn preferred and Zimmerknit preferred are attractive. Tamblyn's appears to be undervalued at the present time, as its earnings compare favorably with other preferred stocks on the market. There should be an appreciation in value here. Zimmerknit's position has been strengthened somewhat by its recent acquisition of Harvey Knitting Mills. The knitting mill companies have not been overly successful in recent years, but Zimmerknit appears to be able to hold its own against domestic and foreign competitors.

Widow's Investment

Would you kindly give me your opinion of Buenos Aires, 5 per cent. 15-year bonds as an investment for a widow of moderate means? Her lawyer advises buying these in preference to first mortgages.

I would appreciate any suggestions you would give me as to other conservative investments with fair yield and possible appreciation in value.

We do not, as a rule, recommend foreign government securities for investment by a widow, especially one of moderate means. The financial record of the Province of Buenos Aires has been good and the holders of its securities have not had reason to worry.

First mortgages, unless they are of an exceptional character, are also not to be recommended. We would suggest that you get in touch with a reputable bond house, who will be able to supply your client with a first class Canadian government or public utility or industrial bond which will suit her needs.

Well Diversified List

Herewith is a list of holdings which we would appreciate very much if you would kindly look over and let us have your comments thereon with a view to in any way improving the present holdings both as to yield and security afforded:

		Cost
$2,000 City of Calgary. .	1942	$72.00
3,000 Greater Wpg. Water District	1951	97.97
$2,500 City of Regina, reg. stock	1963	84.00
$2,000 Hydro Elec. Pr., Ont.	1957	82.32
$1,000 Keefer Realty Corp.	1943	100.00
$500 C.N.R. Dom. Guar.	1954	100.00
$1,000 C.N.R.	1946	117.00
$1,000 Simpsons Limited. .	1945	99.00
$1,000 West Kootenay Pr.	1943	105.00
$1,000 Hy. Elec. Pr., Ont.	1942	108.00
$2,000 Prov. Ont.	1942	101.20
$2,000 Prov. Ont.	1948	99.50
$500 Prov. Ont.	1942	101.50
$2,000 Bell Tele. Co.	1955	100.00
$777 Town of Cornwall	1940	777.00
$1,000 Ottawa Trac. Co. .	1955	101.00
$1,000 Acadia Sugar	1946	96.00
$1,000 St. Cath. Stanley Realty Corp.	1946	99.00
$500 Abitibi Fibre Co. .	1947	100.00
$2,000 Gatineau Pr. Co. Deb.	1941	104.00
23 shs. C.P.R. com.		160.00
6 shs. Mtl. Tram. com.		176.00
20 shs. Can. Hy. Elec. Corp. pfd.		98.50
5 shs. Ont. Equitable Life.		

Your list of bonds and stock holdings is one above the average, both from the standpoint of security and yield and diversification. We would not recommend any radical change in your bond holdings, except that we think you could dispose of your Acadia Sugar 6 per cent. bonds of 1946. This company experienced a severe setback some five or six years ago, when the raw sugar market broke and since then its recovery has been slow. The present outlook in the sugar industry is such that we do not see any chance of substantial improvement in the near future. The common and preferred stocks held by you are regarded highly. These stocks over a period of years will undoubtedly show you a substantial return.

Hamilton Bridge

Are the preferred and common shares of the Hamilton Bridge a good buy? I do not see them mentioned in your Corporate Survey.

The reason the Hamilton Bridge Company is not mentioned in our Corporate Survey is due to the fact that until within recent weeks the company was owned by private interests. The company will be included in volume 2.

The first preferred stock carrying with it a bonus of common shares in the company can be regarded as a business man's buy with a speculative tinge.

The preferred stock seems to be well secured and on the common there exists the undoubted possibility of obtaining an appreciation.

In their class, the shares look like an interesting buy.

The Hamilton Bridge Company is ably managed and the stock was placed on the market under excellent sponsorship. In our opinion, the company should do well in the future, provided there is no material contraction in constructional activities in the Dominion—a development of which there is anything but any evidence at the present time.

Investments Too Select

For some time I have been of the opinion that my bond investments are too select and that I could well afford to improve the annual return by disposing of some of these securities and purchasing the preferred and common stocks of sound, well-managed Canadian companies which pay a reasonable dividend and which at the same time offer, over a long pull, a reasonable prospect for appreciation in value. I would desire to retain a reasonable amount of this capital in bonds.

Should you care to offer any suggestions as to the proper ratio of bonds and stocks to hold, and if you would be prepared to guide me as to sound preferred and common stocks worthy of investing in, I would be deeply grateful.

I am enclosing a list of bond holdings which I possess and would seek your advice in respect to same.

$28,000 Dom. of Canada bonds, 5½ per cent., 1934; $1,000 Dom. of Canada 4½ per cent., 1944; $1,000 Saskatchewan 6 per cent., 1940; $1,000 Saskatchewan 6 per cent., 1936; $2,000 Saskatchewan 5½ per cent., 1946; $1,000 Saskatchewan 5 per cent., 1943; $1,000 Saskatchewan 5 per cent., 1944; $1,000 Saskatchewan 4½ per cent., 1956; $1,000 Ontario 6 per cent., 1930; $1,000 Ontario 6 per cent., 1935; $1,000 Ontario 5½ per cent., 1942; $1,000 Alberta 6 per cent., 1936; $1,000 Regina 5 per cent., 1945; $3,000 Regina 5 per cent., 1941; $1,000 Regina 5 per cent., 1957; $1,000 Winnipeg 6 per cent., 1940; $1,000 Winnipeg 5 per cent., 1944; $1,000 Toronto 6 per cent., 1932; $1,000 Montreal 5½ per cent., 1932; $1,000 Canada Steamship Lines 6 per cent., 1941.

Your bond holdings are sound. If this list represents your entire investments, we think that you are sacrificing income for too much security.

We would recommend that your investments be divided on the following basis—bonds 55 per cent.; preferred stocks 35 per cent.; common stock 10 per cent. In order to bring about this ratio, we would suggest that you reduce your holdings of Dominion of Canada 5½'s of 1934 to $5,500.

Proceeds of this sale, $22,500, can then be used for investment in preferred and common stock. For the $17,500 allotted for preferred stocks, we would suggest the following: International Paper, Port Alfred Pulp and Paper, Massey-Harris, Laura Secord, Stamfords, Ottawa Light, Heat and Power, West Kootenay Power, Winnipeg Electric, Canada Cement, Famous Players.

With the balance of $5,000, we would recommend the following common stock which, over long period, will return you substantial dividends: Consumers' Gas, City Dairy (Toronto), Huron and Erie Mortgage Co., Canadian Salt, Bell Telephone.

Wants Security

It has been suggested to me that I write you for advice in connection with the investment of $5,000 that I now hold in Dominion of Canada 5½ per cent. bonds maturing in 1934.

I can sell those bonds at present at 105.20 and purchase State of New South Wales 5 per cent., maturing in 1958 at 96½.

I have also $6,000 in long term bonds including $2,000 of these New South Wales issue, and if I take another $5,000 it will be putting the large part of my capital in one place.

I am now an old man and desire a large part of my income from these investments and I want to place them to the best advantage.

Kindly advise me in this matter.

At the present time on your Victory '34's you are receiving a yield of 4.60 per cent.. This compares favorable with yields of bonds of similar character at present outstanding on the market. The average values of gilt-edge bonds on the market at the present time we would say are just about 4.75 to 5 per cent. The spread therefore, between your Victory '34's and the average of the market on high class bonds is very small. If your holdings were large, it would be worth while to sell your Victory's and reinvest in other bonds. However, your holdings amount only to $5,000. The cost of selling and rebuying would wipe out any gain which you might make in interest. We would, therefore, recommend that you retain your Victory bonds until they are either called or redeemed at maturity and then reinvest the money in such gilt-edged bonds as are attractive at that time.

We think your holdings in New South Wales 5's of 1958 are sufficiently large. Australia is a growing country; its economic growth is much along the lines of our own. The Australian State Government, however, have been rather chary in giving out information as regards their financial position. Lately the Australian Loan Council, established under the recent agreement between the commonwealth and the state, came into force. New South Wales, which had been the only state holding aloof from this agreement, has now come into the fold. The scheme provides that the Commonwealth shall be responsible for all future borrowings, but permits a loan to be raised in the name of the state, if this is thought desirable. The financial position of New South Wales is such as not to cause worry, but we think that the percentage of these bonds held by you in relation to your total holdings is high enough and we would not recommend further investment in these bonds. We take this stand from the angle of diversification and safety of principal, as well as marketability of bonds held.

Customer Ownership Brings in New Capital at Very Modest Cost

Experience of British Columbia Electric Company Cited to Show Benefits of This Scheme of Raising New Capital

One public utility customer out of every 11 is a stockholder.

Such has been the growth of the customer-ownership idea on this continent in recent years that a survey of some 228 electric light and power companies serving 15,500,000 customers, shows that 1,400,000 of these are also stockholders.

In Canada at least seven of the biggest power and utility companies have instituted customer-ownership campaigns within recent years, all of them with outstanding success. In some Canadian communities this "one in eleven" ratio is considerably bettered.

Helps People to Save

Not only has this plan bridged the gap which too often existed between the consumer and the producer of the power, but in many cases the campaign has embraced wage earners and people who never previously owned a share of stock or a bond. Many of these people had never even had a bank account. These men and women were reached by the personal solicitation of employees in many cases, and thus a new class of investor has been created who in this way has been brought into definite contact with the world of stocks and bonds.

A remarkable analysis of the results achieved by the first customer-ownership campaign to be conducted in British Columbia, has been made by the British Columbia Electric Power & Gas Co. This company conducted an exceedingly successful campaign a year or so ago, the original allotment being oversubscribed by something like $4,905,900.

Conditions of Offer

The three conditions upon which stock was sold to the B. C. Electric consumers, were as follows: the applicant must be a resident of the province; not more than 50 shares could be purchased by any one person; and payment might be made either in full or on a partial payment plan, on the basis of $10 down per share, and the balance ($89) in monthly instalments.

Some 13,000 applications were received within the space of six days. The final allotment had to be of course considerably scaled down, the applications being filled on the following basis: 1 to 5 shares—in full; 6 to 10 shares—received 5 shares; 11 to 15 shares—received 7 shares; 16 to 50 shares—received 10 shares. The actual distribution was 10,523 persons, the average number of shares per person being 4.8. Up to the end of June, 1927 (end of fiscal year) the number of holders had been reduced to 9,483, representing a loss of only 10.22 per cent. The shares are traded in on the local market and from an offering price of 99 they are now quoted at between 106½ and 107½. The stock is still largely held within the province, the actual figures showing 82 per cent. retained by holders resident in Vancouver and Victoria; 14 per cent. elsewhere in British Columbia; and the remainder (4 per cent.) in different parts of Canada, Great Britain and the United States.

Many Women Buyers

Another interesting feature of the campaign was the number of women shareholders who made stock purchases. Classifying the total number of shareholders it is found that 4,662 or 44.3 per cent. are women. The average number of shares held by women is 4.1 — a slightly smaller ratio than the corresponding figure for men. Comparative figures are as follows:

Classification of Shareholders

	No. of holders	%	Average No. of shares per holder
Men	5,253	49.9	5.3
Women	4,662	44.3	4.1
Joint tenants	316	3.	6.4
Companies and Association	50	.5	21.5
Trust Accounts	242	2.3	3.0
	10,523	100.0	4.8

Cost of Selling Small

How much did this customer-ownership campaign cost the British Columbia Electric Power & Gas Co.? It must be remembered that of the $5,000,000 of stock that was offered, some $1,500,000 was underwritten by a syndicate composed of local bond houses. A detailed analysis shows the actual cost of selling each share was approximately 2 1/3 cents. Here are the elements of cost.

Selling Cost per Share

Newspaper advertising	00.066c.
Other advertising	00.143c.
Commissions	01.822c.
Other expenses, including stationary, printing, salaries, etc.	00.317c.
Total	2.348c.
Cost of selling 50,000 shares	$1.174

B.C. Electric Customer Campaign Raises Capital at Low Cost

Original Offering	$2,250,000
Amount Subscribed	7,155,900
Subscription Lists Open	6 days
Number of shareholders obtained	10,523
Subscribers on Fully Paid Plan	5,410
Subscribers on Instalment Plan	5,113
Shares Fully Paid	76.71%
Shares paid for on Instalment Plan	23.29%
Average Number of Shares per Holder	4.8
Percentage of Men Shareholders	49.92%
Percentage of Women Shareholders	44.30%
Holders for five shares or less	86.23%
Selling Cost per Share	2.348c.

Utility Mortgage Deeds Provide for Expansion

Public Utility Issues Must be More Flexible Than Industrial Issues—Safeguards Have Been introduced in Trust Deeds to Protect Investors—Differences Reviewed

Through the need for continual expansion, the financing of public utility properties varies somewhat from that of industrial organizations which usually require new money but infrequently. The financial structure of public utilities at all times must be capable of expanding, with the result that there are some differences in the trust deeds covering the bond issues of public utility companies as compared with the trust deeds covering the mortgages on industrial plants.

As a result of many years experience and a complete understanding of all the conditions involved, investment banking houses have evolved a perfected type of mortgage covering public utility properties designated to safeguard the investments of the bondholders to the greatest extent and at the same time to provide conservative flexible means of financing, making for a broad and ready market for the securities and the establishment of a company's credit on a high plane.

Public Utility Mortgage

The usual type of public utility mortgage is issued in the form of bonds and is a direct mortgage on all the property of the company and provides that any properties acquired subsequently shall be similarly covered. If, as frequently occurs, there are underlying mortgages outstanding, the trust deed covering the new bond issue provides for refunding these underlying issues as they fall due. In other words, upon the retirement of underlying bonds, an equal principal amount of bonds under the new mortgage are issued. Thus, while the aggregate amount of bonds is not increased through this operation, nevertheless the security of the new bonds is steadily improved.

The modern mortgage bond is usually self-perpetuating and bonds of another series bearing a different rate of interest according to the rates prevailing, may be sold at some future date. The most usual type of power or public utility bond restricts the issuance of bonds to an amount commensurate with the value of the property.

It is usually provided that additional bonds may be issued only when additional property is constructed or purchased. New bonds may be issued in principal to an amount not exceeding about 75 per cent. of the actual cost of permanent additions to the property—and only when net earnings are at least one and three-quarter times or twice the interest charges on the total bonds outstanding.

Conditions such as these naturally make for the maintenance of the equity behind the issue and also for the maintenance of a satisfactory earnings ratio upon the issuance of further bonds.

Sinking Fund Requirements

Some public utility mortgage bonds are subject to the operation of a sinking fund. The investor might ask why a sinking fund when by the steady expansion of the properties the equity behind the bonds is steadily increasing. However, such a feature in a utility bond makes it the more attractive as the total mortgage outstanding is being continually reduced and in addition it also acts as a stabilizing factor in maintaining a satisfactory market for the issue — a point which makes such bonds more attractive to an investor; none can tell when it may be necessary to sell some bonds.

The usual requirements of a sinking fund are that the company shall periodically pay to the trustee for the bondholders substantial sums to be used for the purchase of bonds in the open market up to a specified price. This tends, not only to create a more active market for the bonds, but to strengthen the price of the issue. If the bonds cannot be purchased at the specified price they are drawn by lot.

Some mortgages provide, in addition to a sinking fund, a clause which requires the company to maintain a general reserve for maintenance and replacements, designed to protect the holder of the bonds against the lessening value of the property through obsolescence, inadequacy, and wear and tear.

Safeguards Are Maintained

Many other clauses to safeguard the investor are contained in the better type of public utility mortgages. Sometimes clauses are included which prohibit the payment of dividends on the stock except out of surplus profits earned after the date the bonds are issued. The investor need not be familiar with the many details contained in the 200 pages of the average public utility mortgage, but in order to buy sound public utility bonds, he should have a general knowledge of what constitutes a satisfactory issue and what safeguards should be provided for the bondholders.

Some bond houses insist that public utilities which they finance publish regular monthly earning figures. In this way, a constant check is kept on the operations of the various companies by the investment house with a view to the detection of injudicious management. Of course, the actual publication of earnings also gives the bondholders an idea of how his investment is progressing.

When Women Invest

One with $40 Advised to Buy Trust or Loan Debenture — Procedure for Buying Stocks Not Complicated

A WEEKLY FEATURE

I would be obliged if you will advise me what would be the best stocks to buy with the small amount of $40. As I have only this amount to invest at present would it be more to my advantage to buy on a margin?

I have never invested in stocks before and would much appreciate any information you could give me as to the procedure of buying and selling.

We do not believe that you will be able to buy any investment stocks for $40. We would suggest that you invest your funds in the debentures of a trust or loan company until such time as they reach a figure which will make it safer for you to venture into stocks.

The procedure of buying and selling stocks is simple when you remember that a broker is an agent and works on a commission. Buying on margin is buying on the instalment plan. But we think you should not attempt to buy stocks on so small a capital. Let it grow a while.

I hold an Electrical Development Co. bond, due 1933. I never see it quoted.

I bought nine shares Dominion Coal preferred at 95. I also own a number of shares of Besco preferred.

Do you think the new company will pay back dividends? I sold N.S. Steel debentures at 55 two years ago.

Your electrical development bond underlies some Ontario Hydro-Electric Commission properties. Hence, it is an excellent investment and can be retained.

We would point out to you though, that excluding the possibilities of another world cataclysm, interest rates will probably decline between now and 1933—the maturity date of your bond. Hence, it might be advisable for you to sell your bond at present prices and reinvest in a long term high grade bond which might give you a little lower interest at the moment but which would not mature for a longer term of years. You would, of course, have to choose a bond of a grade similar to the one you already own.

We would like to direct your attention to one point touching your Nova Scotia Steel debentures. While you sold it at 55 two years ago, yet if you reinvested in any sound investment stock at that time the appreciation of your holdings should decidedly more than offset the appreciation which has since taken place in the Nova Scotia Steel debentures.

Not Bad Policy

In other words, we would say that it was not bad investment policy to sell the debentures two years ago.

The same thing applies to your Dominion Coal preferred, which at the moment we think is a most unsuitable investment for a woman.

We think you would be well advised to sell it at present prices and reinvest either in a sound gilt-edged investment stock such as Montreal Power or Shawinigan, or else to reinvest it in a sound preferred issue. The reinvestment of the proceeds would depend on your present investment position.

The situation surrounding Besco, and all its subsidiaries is so involved that it makes the securities of all the companies in this group highly speculative. We believe that with the new interests in the British Empire Steel Corp., that the outlook has improved. Nevertheless, before any real betterment can take place, we believe that the government will have to do something for the industry. Coupled with this, the steel plants of the corporation are situated in Nova Scotia many miles from the steel markets of Central Canada. In other words the location of the plants is unstrategic.

Besco As Speculation

Touching British Empire Steel Corp. preferred, you have omitted to mention whether it is first preferred or second preferred which you bought.

About all that can be said about Besco and its subsidiary companies' shares is that they are highly speculative at present prices.

IRON-CLAD CONTRACT MENACES FUTURE OF WHEAT POOLS

(Continued from page 6)

known much of Western conditions as did Mr. Sapiro. It may well be that fanatical devotion to this principle is the Pools' greatest weakness.

Precedent for Less Strict Method

If the Wheat Pools were to consider a modification of their contract so as to allow withdrawals under some reasonable provision that would safeguard their business, they at least would not be the first pool to do so. The Staple Cotton Association, of Greenwood, Mississippi, a southern Cotton Pool, some two years ago modified its contract to admit of withdrawals on notice. After their experience they are well satisfied with the experiment. "The management is firmly convinced that freedom of action in regard to withdrawals is not only just to the member but is also very real asset to the Association, as it makes for a satisfied membership. Withdrawing members are constantly coming back."

Calls It Valuable Service

I believe the Pools are giving, and should continue to give, a most valuable service to the Western farmers. It would be a distinct loss, not only to the West, but to all Canada, if through any cause they were to fail. Having looked rather closely into their organization and methods, I believe they can compete, on the basis of service, with all comers. I think I see however, a distinct threat to their permanency, and this lies in what they have been taught to believe their greatest strength—the irrevocable contract. The only permanent basis on which they can build is a satisfied membership. Lacking this, contracts are worse than useless, they are dangerous. It might not be wise to abolish the contract altogether, but might it not be the part of wisdom to so modify it that it might be revoked, on reasonable notice being given?

Suggests Commission Service

There is still another alternative. Contracts are being broken, not because members of the Pool think the organization is inefficient, but because, for one reason or another, they wish to sell outright, rather than to pool their grain. What is to hinder the Pool giving them this option within their own organization? The Pool is as well equipped as any elevator company or commission house, to handle and sell grain on commission. Such a plan would keep the business within the organization, but would remove the cause that now leads to the demoralizing practice of bootlegging. Further, by placing the responsibility for pooling or not pooling on the individual farmer's shoulders, it might well save the Pool from a destructive burden of blame, if for any year, through the chances of the markets, the pooling system should result in a loss. In my opinion the Pool management would be well advised to drop their fanatical devotion to the irrevocable contract, which I am convinced is not vital, and consider, in the light of experience, these or similar suggestions.

BRITAIN'S BIGGEST BANKS COMPARED

COMPILED BY THE FINANCIAL NEWS, LONDON

Bank	Year ended Dec. 31	Capital paid up	Reserve	Current, deposit, and other accounts	Money at calls, &c.	Bills discounted	Investments	Loans	Total resources.
		£	£	£	£	£	£	£	£
Barclays*	1927	15,858,217	10,250,000	318,373,472	36,112,145	32,518,234	59,010,287	161,867,906	357,312,358
	1926	15,858,217	10,250,000	309,486,690	31,427,970	36,617,279	62,712,062	155,454,795	348,438,067
Coutts	1927	1,000,000	1,000,000	16,996,453	2,311,536	848,110	4,226,708	9,182,826	19,266,909
	1926	800,000	800,000	17,119,599	2,288,724	885,716	4,257,807	8,772,383	18,934,871
Glyn, Mills	1927	1,060,000	530,000	34,875,006	9,710,364	830,825	8,905,061	10,831,758	33,025,981
	1926	1,060,000	530,000	30,766,210	7,372,203	943,844	7,499,649	10,541,358	33,784,498
Lloyds*	1927	15,810,252	10,000,000	358,662,544	43,042,953	52,048,884	46,149,711	188,972,008	428,240,912
	1926	15,810,252	10,000,000	347,653,458	29,101,962	47,182,971	53,038,139	194,575,519	690,414,316
Martins	1927	2,448,890	2,250,000	63,189,603	9,261,470	2,646,294	10,421,736	36,572,971	74,277,748
	1926	2,348,890	2,000,000	60,113,515	7,911,820	2,981,480	9,349,216	36,702,937	70,540,527
Midland*	1927	12,665,798	12,665,798	376,122,881	46,150,346	49,314,778	42,102,019	206,487,910	438,452,072
	1926	12,665,798	12,665,798	368,160,062	41,009,344	46,744,312	45,347,391	200,459,993	430,557,103
National	1927	1,500,000	1,390,000	39,579,041	4,433,565	2,329,697	15,552,528	15,359,400	42,469,041
	1926	1,500,000	1,320,000	40,053,410	4,181,400	2,535,049	15,453,589	15,903,430	42,981,690
National Provincial*	1927	9,479,416	9,479,416	274,460,679	31,555,008	38,993,472	38,640,115	146,715,211	305,444,271
	1926	9,479,416	9,479,416	260,126,126	28,172,275	35,100,607	40,098,804	142,190,250	288,251,780
Westminster*	1927	9,320,157	9,320,157	281,839,154	47,662,493	36,839,343	48,024,465	137,054,470	313,052,337
	1926	9,320,157	9,320,157	236,606,456	38,323,026	40,406,456	48,859,390	141,741,479	316,790,400
Williams Deacon's	1927	1,875,000	1,350,000	32,817,755	4,812,872	2,499,629	5,284,671	18,249,923	37,486,014
	1926	1,875,000	1,350,000	32,611,851	4,321,110	2,440,903	5,049,670	18,984,829	37,637,769

* Bold face letters indicate the so-called "Big Five."

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Facts affecting Stock Values

A letter devoted to discussing underlying factors affecting stock values is issued weekly by our Stock Exchange Department.

It also discusses current items of interest affecting individual companies, interprets balance sheet figures, etc.

You can obtain a copy of the current issue by telephoning, writing or calling.

Write to Dept. W4

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When 3,000,000 Shares Change, There's Chaos in Financial Maelstrom

Canadian Visitor Happens Into New York Stock Exchange Just at Peak of Most Hectic of Recent Boom and Sees Nothing But Confusion

By KENNETH R. WILSON,
Staff Editor of The Financial Post

NEW YORK.—The big hand of the Broad Street clock points to the hour. Frantically the shorts rush for "cover." Pandemonium prevails.

Suddenly at the north side of the exchange an immaculately-dressed gentleman rises to his feet and the air is filled with the shrill piercing siren of the closing bell. For thirty full seconds it electrifies the air in defiance of the seething crowd below, then suddenly stops. Again pandemonium reigns supreme, and finally sinks lower and lower as hoarse traders make their way in twos and threes to the lobby.

Thus ends a record day on the New York Stock Exchange.

Is 236 Years Old

It is now 236 years since the day that twenty-four brokers stood around the buttonwood tree on what is now Wall Street, and subscribed to the original brokers' agreement out of which was organized the New York Exchange. And in those two and a quarter centuries there has grown up an institution that turns over billions of dollars worth of securities in a few days, and which holds in its hand the financial pulse of the United States.

Not only is it something of a privilege to watch this great market at work, but furthermore it is rarely that the casual visitor from Canada can time his visits to coincide with one of the biggest major market movements in the history of the Exchange. This, however, was the good fortune of the writer and the experience is one that is not easily forgotten.

Must be Introduced

In the first place the New York Exchange is closely guarded by a small army of 76 grey-uniformed guards. The average visitor can get no farther than the swinging doors of this institution, which has now spread itself across a whole block, and faces Nassau, Wall and Broad Streets. However, on busy days (and this one was practically the busiest in its history) the sine qua non of admission is a letter of introduction from a member broker, and armed with this sesame, the seeker after knowledge must needs wind his way down Broad Street and after much "challenging" will find himself ejected from an elevator onto an upper floor. Certain documents must thereupon be signed; cameras, canes, umbrellas, and parcels must be deposited, and finally one enters the holy of holies.

Eleven Hundred 'Phones

The exchange itself is a tremendous amphitheatre flanked on two sides by nests of telephone booths. At one end there is a lobby which leads out to Wall Street, and at the other, another fairly large room where bonds are traded in exclusively. Above one row of telephone booths, is the long narrow gallery where visitors are received, and above the other are high vaulted windows which look out across Broad Street at the stately edifice of J. P. Morgan. To the left and right as one stands in the gallery are the huge blackboards which flap and crack incessantly to attract the attention of members to their respective telephones. They stand high above the floor and each board contains something like 1,100 numbers. Just below one of these "annunciator" boards there juts out a small balcony from which R. L. Bamford, Supervisor of Telegraphies, stands in his immaculate morning coat and with one eye on the chronometer in front of him, opens and closes the trading session.

On the New York Exchange there are some 25 "posts" placed at regular intervals across the floor. Each one of these posts represents the same thing as the centre of the floor of the Toronto Stock Exchange, so that to visualize the New York mart, one might imagine some twenty-five similar posts spread across a huge floor and each surrounded by a frantic group of traders.

Actually there are over 1300 people on the floor of the exchange when trading is in full swing. This is made up as follows: 968 members; 400 pages; 125 reporters; and 800 telephone operators. Telephone operators are not actually allowed on the floor where the trading posts are situated but cluster in and about the telephone desks on either side of the exchange.

Specialists in Big Stocks

When any stock is listed it is assigned to one post, so that with over 1,000 stocks listed, there are approximately 40 stocks traded in at any one post. For instance, U. S. Steel is listed at post number two, so that any member wishing to trade in "Steel" must do so at or about number two. General Motors Corporation is traded in at post five, Radio Corporation at post twenty, and so forth.

Another interesting feature about the New York Exchange is the fact that a great deal of trading is done by specialists. That is to say, one brokerage member will specialize in General Motors, and at a time when speculation and trading are at their height, these specialists will usually be the storm centres of the trading at their respective posts.

Thus at the General Motors post on Friday of last week, there were some three or four men who bore for hours the brunt of an attack that at times involved as many as one hundred and twenty frantic and gesticulating men. So great was the excitement at times, that again and again the reporters found it impossible to break through the crowd and when they finally did, they would emerge with thick packs of order slips that would almost instantly appear on the four huge translucent tickers, probably causing a further burst of cheering and shouting as another new high was reached, or a new record broken.

3,000,000 Share Days

Up till the end of 1927 there had only been eleven "three million" days, the first of which was in 1911, and three of which were in 1927. In 1928, however, there have already been six days on which more than 3,000,000 shares have been traded, and on Tuesday, March 14, the Exchange broke all its previous records by crashing over the four million mark in a tremendous orgy of trading.

Another interesting thing about the Exchange is the fact that in spite of this tremendous turnover of shares, the ticker has never during recent weeks lagged more than six minutes behind the actual market, and on the average, during the heaviest trading it is only two or three minutes behind. Two years ago, when a record day hit the Exchange, the ticker was twenty minutes late, and on that occasion the last sale was not rung up until thirty-seven minutes past three.

If any statistician has a few minutes to spare he might play to his heart's content with the many interesting phases of the Exchange's work. The value of the contracts actually cleared during a year is something like $50,000,000,000, and the funds actually required to close them amounts to about one-seventh of the amount. There are over 1,600 telephones in the Exchange, with approximately 1,000,000 calls transmitted each five-hour day. The Exchange employs its own refrigeration system, and on hot days as much as four gallons of water a minute are extracted from the atmosphere.

But statistics at best are a cold commodity to describe what for five hours a day is the pivotal point of United States finance. Major "bull" movements such as the one which has now seized Wall Street, or catastrophies that send the prices of stocks crashing through financial space are the settings that make the floor of the New York market a maelstrom of wild and fascinating humanity.

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SOUTH AMERICA MORE ATTRACTIVE FOR INVESTMENT

Economic Progress of Nation Adds to Investors' Confidence

Currency stabilization and return to the gold standard have been the experience of most European countries during the past few years. These, and other constructive developments, have raised European Government External obligations to their call prices and in some cases slightly over that level. Hence, purchasers of European Government External Issues, during the period 1924 to 1927, have received a very attractive yield together with substantial appreciation of capital.

During the same period several South American republics have had issues of fairly substantial proportions in the New York Market. However, the wide-spread general investment interest in this latter field is of more recent date. South American government obligations are receiving increasing recognition as investments having ample security and a relatively attractive yield. The Argentine, Buenos Aires (its chief province) and Peru have recently arranged refunding loans at lower coupon rates. This indicates a sound financial policy looking to the reduction of debt service charges and the improved credit position of the borrower.

South America's vast wealth in natural resources has long been a matter of common knowledge. However, the greatest progress in the development of these resources has been made since the beginning of the present century. The names of any of the large South American countries at once suggest important products and industries. Brazil—the world's leader in the coffee industry and an important source of cotton and sugar; Argentine—vast stretches of pastoral country and wheat lands; Colombia and Venezuela—the scene of recent large developments in the production of petroleum; Peru—the scene also of petroleum developments and copper, cotton and sugar production; Chile—a large producer of copper and nitrates.

With developments in these industries there has come the necessary increase in railroad mileage, the improvement and extension of highways and the development of water power resources. These developments have been financed in large part by private capital. The Brazilian Traction, Light and Power Co. is an outstanding example of an industry which has kept pace with developments in South America. This Company performs for Rio de Janeiro and Sao Paulo a service corresponding to that performed for Toronto by the Transportation Commission, Consumers' Gas Co., Bell Telephone Co., and Toronto Hydro. It is, in large part, a Canadian enterprise as is also International Petroleum which operates in Peru and Colombia.

Trade Grows Rapidly

The external trade figures of these countries are in themselves a distinct revelation and indicate something of the progress which has taken place on that Continent during the past two decades. This progress, accompanied as it is by substantial increases in wealth and the development of resources, has an important bearing on the credit of the South American republics.

The total external trade of all South American countries in 1908 was in excess of $1,493,000,000; by 1924 the figure was in excess of $3,840,000,000. Even after due allowance has been made for the higher price level obtaining since the war, these figures are impressive. Much of this trade was carried on between the countries themselves; a very large part, however, was with countries on other continents. Certain facts are evident—South American countries are entering to an increasing extent into the main currents of world trade; they have formed numerous commercial contacts in other countries; they have established their own banking facilities to handle the increased number of international transactions; they have constructed railways and (to an increasing extent in recent years) have built highways—all to facilitate trade and the development of natural resources.

Kippen Forms House

MONTREAL.—Eric D. B. Kippen, of Kippen & Company, investment bankers, has been elected a member of the Montreal Stock Exchange. A new brokerage firm is being formed to be known as Kippen, Newton & Co., the members of which will be J. D. G. Kippen, Eric D. B. Kippen, and Frederick G. Newton. The new firm will conduct a general brokerage business as members of the Montreal Stock Exchange and the Montreal Curb Market, commencing business as from the beginning of April. It is understood that the formation of this new Stock Exchange house will not affect Kippen & Company, who will continue as investment bankers and bond dealers.

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Dividends Declared

	Rate	Date	Record
Dom. Engineering	65c.	Apr. 14	Mar. 31
Can. Oil, pref.	2%	Apr. 1	Mar. 20
Stand. Chemical	$1.00	Apr. 1	Feb. 29
C.P.R., com.	2½%	Mar. 31	Mar. 1
Do., pref.	2%	Mar. 31	Mar. 1
Ham. U. Thea., pfd.	3½%	Mar. 31	Feb. 29
Can. Perm. Mtge.	3%	Apr. 2	Mar. 15
Quebec Power	50c.	Apr. 16	Mar. 31
Dom. Stores	75c.	Apr. 1.	Mar. 15
St. Maur. Val., pfd.	1¾%	Apr. 2	Mar. 15
Dom. Bank	3%	Apr. 2	Mar. 20
McKinnon Ind., pfd.	1¾%	Apr. 1	Mar. 15
Huron & Erie Mtge.	2%	Apr. 2	Mar. 15
Steel of Can., c.	1¾%	May 1	Apr. 7
Do., pfd.	1¾%	May 1	Apr. 7
Bell Telephone	2%	Apr. 14	Mar. 23
Belgo-Can. Pap., com	1½%	Apr. 10	Mar. 31
Do., pref.	$1¾	Apr. 1	Mar. 1
Hunts, com.	25c.	Apr. 1	Mar. 15
Do., 1st pref.	1¾%	Apr. 1	Mar. 15
Do., 2nd pref.	1¾%	Apr. 1	Mar. 15
Canada Cement, pfd.	1⅝%	Mar. 31	Feb. 29
Nor. Mex. Power, com.	1%	Apr. 2	Mar. 15
Do., pref.	1¾%	Apr. 2	Mar. 15
Dom. Glass, com.	1¾%	Apr. 2	Mar. 15
Do., pfd.	1¾%	Apr. 2	Mar. 15
Dom. Textile, c.	$1.25	Apr. 2	Mar. 15
Do., pref.	1¾%	Apr. 16	Mar. 31
Woods Mfg., pref.	1¾%	Apr. 2	Mar. 22
Cen. Can. Loan	3%	Apr. 2	Mar. 15
Toronto Mtge.	3%	Apr. 2	Mar. 15
Imp. Tobacco, pfd.	3%	Mar. 31	Mar. 8
Do., com.	1½%	Mar. 30	Mar. 8
Winnipeg Elec. pfd.	1¾%	Apr. 2	Mar. 6
Landed Bkg.	2½%	Apr. 2	Mar. 15
B. Amer. Oil	25c.	Apr. 2	Mar. 15
Shred. Wheat, c.	75c.	Mar. 31	Mar. 21
Duluth Sup., pfd.	1%	Apr. 2	Mar. 12
Hollinger	2%	Mar. 24	Mar. 7
Brazilian Tr., pfd.	1½%	Apr. 2	Mar. 15
Para. Kitch. The., p.	1¾%	Mar. 31	Mar. 15
So. Can. Power, pfd.	1½%	Apr. 16	Mar. 24
East Twp. Tele., c.	1½%	Apr. 15	
Do., pfd.	3%	Apr. 15	
H. Smith Paper, pfd.	2%	Apr. 10	Mar. 31
Ont. Loan & Deb.	3%	Apr. 2	Mar. 15
Pressed Metals, c.	75c.	Apr. 16	Mar. 26
Do., pref.	1¾%	Apr. 2	Mar. 12
Twin City, c.	$1	Apr. 2	Mar. 12
Do., pref.	$1.75	Apr. 2	Mar. 20
Durant Motors	1%	Mar. 31	Mar. 10
Inter. Nickel, c.	50c.	Mar. 31	Mar. 15
Bank of N. S.	4%	Apr. 2	Mar. 15
Mackay, com.	1¾%	Apr. 2	Mar. 3
Do., pref.	1%	Apr. 2	Mar. 3
Dom. Power, pfd.	1¾%	Apr. 14	Mar. 24
Fanny Farmer	25c.	Apr. 1	Mar. 15
Nat. Breweries, c.	$1.00	Apr. 2	Mar. 15
Do., pref.	1¾%	Apr. 2	Mar. 15
Shawinigan	50c.	Apr. 10	Mar. 26
Walker—G. & W.	50c.	Mar. 15	Feb. 29
West. Breweries	2%	Apr. 2	Mar. 15
Can. Gen. Elec., pfd.	1¾%	Apr. 2	Mar. 15
National Trust	3%	Apr. 2	Mar. 21
Barcelona, pfd.	1¾%	Mar. 31	Mar. 21
Goodyear Tire, c.,	$1.25	Apr. 2	Mar. 15
Do., pref.	1¾%	Apr. 2	Mar. 15
Jamaica P. Ser. pfd.	$1.75	Apr. 2	Mar. 16
Dunlop Tire, pfd.	1¾%	Apr. 1	......
Inter. Paper, pfd.	1¾%	Apr. 16	Apr. 2
Do., pfd.	1½%	Apr. 16	Apr. 2
Can Car, pref.	1¾%	Apr. 10	Mar. 26
Alta. Pac. Grain, pfd.	1¾%	Apr. 1	Mar. 15
Ogilvie Flour, c.,	$1.25	Apr. 2	Mar. 20
Gilman Fan., com.	1½%	Apr. 2	Mar. 15
Do., pref.	1¾%	Apr. 2	Mar. 15
Amer. Salesbook, c.,	$1	Apr. 2	Mar. 15
F. N. Burt, c.,	75c.	Apr. 2	Mar. 15
Do., pref.	1¾%	Apr. 2	Mar. 15
Pac. Burt, com.,	1½%	Apr. 2	Mar. 15
Do., pref.	1¾%	Apr. 2	Mar. 15
W. A. Rogers, c.,	1%	Apr. 2	Mar. 15
Do., pref.	1¾%	Apr. 2	Mar. 20
Brant. Cordage, pfd.	2%	Apr. 15	Mar. 15
L. Secord, pref.	1¾%	Apr. 2	Mar. 31
Can. Nor. Pr., pfd.	1¾%	Apr. 16	Mar. 31
Power Corp., pfd.	1½%	Apr. 16	Mar. 15
Sher.-Williams, c.,	1½%	Mar. 31	Mar. 15
Traymore, pref.	1¾%	Apr. 1	Mar. 15
Premier Mines	8c.	Apr. 4	Mar. 31
Can. Brewing, c.	50c.	Apr. 16	Mar. 30
Fraser Co., com.	25c.	Apr. 2	Mar. 20
Carling Brew.	50c.	Apr. 5	Mar. 22
Can. Canners, 1st pfd.	1½%	Apr. 2	Mar. 19
Mt. Royal Hotel, pfd.	1½%	Apr. 2	Mar. 15
Can. Steamships, pfd.	1½%	Apr. 2	Mar. 31
Dome Mines	25c	Apr. 20	Mar. 20
King Ed. Hotel, c.	$1.50	Apr. 2	Mar. 17
Conduits, pref.	1¾%	Apr. 2	Mar. 15
Calgary Pr.	1¼%	Apr. 2	Mar. 15
Porto Rico Rly., pfd.	1¾%	Apr. 2	Mar. 15
Inter. Power, pfd.	1¾%	Apr. 2	Mar. 31
Diversified Secs. pfd.	2%	Apr. 2	Mar. 15
North Star Oil, pfd.	1¾%	Apr. 2	Mar. 20
Can. Locomotive, pfd.	1¾%	Apr. 1	Mar. 20
Sen. Str. Equip. 'A'	40c.	Apr. 2	Mar. 20
Econ. Invest. Trust	2%	Apr. 2	Mar. 15
Greening Wire, pfd.	1¾%	Apr. 1	Mar. 31
Nat. Grocers, 1st pfd.	2%	Apr. 2	Mar. 20
Abitibi Pr., pfd.	1¾%	Apr. 2	Mar. 15
Wabasso	$1+50c. q.	Apr. 2	Mar. 21
Tor. Gen. Trusts	3%	Apr. 2	Mar. 15
Sher.-Williams, pfd.	1¾%	Mar. 31	Mar. 15
Ott. L. Heat., c.	1½%	Apr. 1	Mar. 15
Do., pref.	1⅝%	Apr. 1	Mar. 15

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NEW ISSUE

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29,000 Shares of Common Stock

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(Incorporated under the Laws of the Dominion of Canada.)

Montreal Trust Company, Transfer Agents. Canadian Trust Company, Registrars.
The Royal Bank of Canada, Bankers.

CAPITALIZATION

	Authorized	To be issued
Common Shares (No Par Value)	50,000	29,000

The Company has no bonds or preferred shares.

This Company has been formed to acquire, consolidate and operate the following old-established companies:—

Charles Fawcett Limited of Sackville, N.B., founded in 1860, has steadily grown until it is to-day one of the leading manufacturers of Coal and Wood Ranges, Gas Ranges, Heating Stoves, Fire-Place Fixtures and Hollowware, including the well-known line of "Rival" Furnaces for both coal and wood.

Amherst Foundry Co. Limited of Amherst, N.S. has had a long and successful record since 1887. It manufactures Porcelain Enameled Bath-tubs, Sinks, Basins and other products under the well known trade mark "Beaver Brand". It also manufactures "Cumberland" Furnaces for both coal and wood.

The manufacturing Plants are only nine miles apart, well equipped and modern in every respect and have good transportation facilities, being served by railway sidings connecting with the Canadian National Railway.

Both companies enjoy an excellent market for their products right across Canada from Halifax to Vancouver, as well as in Newfoundland. They have warehouses at Montreal, Toronto, Winnipeg and Vancouver.

ASSETS.—The Canadian Appraisal Company reports give the depreciated value of the Land, Buildings, Machinery and Equipment as	$654,410.76
Messrs. P. S. Ross & Sons, Chartered Accountants, statement shows surplus liquid assets in excess of all liabilities, after giving effect to the present financing and without any allowance for goodwill as	408,387.58
Other assets have been conservatively valued by the officials as	52,831.02
Net Tangible Assets	$1,115,629.36

or $38.47 for each share of stock.

EARNINGS.—Consolidated net earnings for the past three years after providing for maintenance, operating expenses and allowance for depreciation but before providing for Federal Income Tax and after the elimination of certain non-recurring expenses, are:—

31 December—	1925	1926	1927
	$60,973.41	$88,332.77	$102,099.30

Consolidated net earnings for 1927 were over $3.50 per share, and the prospects are that this year they will exceed $4. per share.

By the concentration of all the stove and furnace manufacturing in the Sackville plant and all the porcelain enamelling work in the Amherst plant, large savings in the cost of manufacture will be effected and the consolidation of the warehouses and branches in the important centres, the co-operation and reduction in Sales force and general overhead expenses will unquestionably result in very substantial reductions in the general cost of operating the business.

Taking into consideration the stability of the business which is firmly and favourably entrenched in the trade, and in view of the rapidly growing field it is capable of further substantial expansion.

Approximately $800,000 of Fire Insurance is carried on the plants, inventories and warehouse stocks.

The affairs of this Company will be administered by those responsible for the past success.

It is the intention of the Board of Directors to place this stock on a $2. per share per annum dividend basis payable in quarterly dividends of 50c. per share. Arrangements have been made with the Royal Bank of Canada to pay all Dividend cheques at par at any of their Branches in Canada.

The above shares are offered for sale when, as and if issued and received by us, subject to the approval of all legal proceedings by Messrs. Brown, Montgomery & McMichael, Montreal, P.Q.

Price: $30 per share

Application will be made to list these shares on the Montreal Stock Exchange.

Complete circular sent on request. *Orders may be telegraphed at our expense.*

H. B. ROBINSON & CO.
LIMITED
INVESTMENT BANKERS
136 St. James St., Montreal
MAin 8542-3-4

HOUSSER, WOOD & CO.
LIMITED
GOVERNMENT AND MUNICIPAL BONDS
Royal Bank Building, Toronto
Elgin 7193

The
Willison Neely Corporation
Limited
DEALERS IN
Canadian Government, Municipal and "Dollar for Dollar" Bonds
CANADIAN PACIFIC BUILDING TORONTO
MONTREAL LONDON HAMILTON OTTAWA

Abitibi Power and Paper Company Limited

FOURTEENTH ANNUAL REPORT

For the Fiscal Year Ending December 31, 1927

To the Shareholders of the
Abitibi Power & Paper Company, Limited.

Your Directors herewith submit their report for the fiscal year ending December 31, 1927.

Operations for the year produced net earnings of $4,213,489.86, including adjustment of logs inventory and after providing for income tax, but before providing for interest and reserves. Net profits, after all charges were $2,904,574.20, out of which $70,000 was paid in Preferred Stock Dividends and $1,250,000 in Common Stock Dividends. Surplus for the year was $1,584,574.20 and the total earned surplus at December 31, 1927, after transferring from surplus account to depreciation reserve an additional amount of $1,092,491.76, was $8,339,976.06.

Fixed assets were increased by $8,675,924.89, of which $4,425,866.12 represented expenditures on the Company's Mills, Railroads, Townsites and Power Plants, and $4,250,058.77 represented an increase through revaluation of timber. $691,900 of the Company's bonds were paid and cancelled. Current payables were kept to the lowest practicable point, and total surplus and reserves were increased $6,187,419.81, of which amount $1,937,361.04 resulted from current operations and the balance from timber revaluation.

On January 1, 1928, the Company acquired through common stock purchase the controlling ownership in Spanish River Pulp & Paper Mills, Limited, Fort William Power Company, Limited, Manitoba Paper Company, Limited, Ste. Anne Paper Company, Ltd., and Murray Bay Paper Company, Ltd.

On account of market conditions, production and sales were materially reduced as compared with the preceding year, and the results attained under these unfavorable conditions must be attributed to the loyal effort and increased efficiency of the entire organization.

On behalf of the Board of Directors,

ALEXANDER SMITH,
President.

Montreal, March 1, 1928.

BALANCE SHEET DECEMBER 31, 1927

ASSETS

CURRENT ASSETS:			
Inventories at Cost:			
Logs and Expenditures on 1927-1928 Season's Logging Operations		$1,340,308.28	
Paper, Pulp, Material and Supplies		648,061.15	
		1,988,369.43	
Accounts Receivable, less Reserve		619,168.27	
Investments in Preferred Stocks of other Paper Companies and in the company's own Bonds purchased for redemption purposes		883,564.90	
Cash on Hand and on Deposit		1,458,321.01	
			$4,949,423.61
FIXED ASSETS:			
Lands, Water Powers and Timber Limits, after giving effect to the revaluation of Timber Limits in 1927		12,000,000.00	
Pulp and Paper Mills		18,939,833.74	
Office Fixtures		31,148.18	
		30,970,981.92	
INVESTMENTS IN AND ADVANCES TO ASSOCIATED COMPANIES		8,007,879.81	
			38,978,861.73
OTHER ASSETS:			
Insurance and Other Expenses Prepaid			56,740.52
			$43,985,025.86

LIABILITIES

CURRENT LIABILITIES:			
Current Accounts Payable		$ 534,927.17	
Fixed Charges Accrued		288,615.50	
Wages Accrued		34,392.19	
			$ 857,934.86
DIVIDENDS DECLARED:			
Payable January, 1928			330,000.00
FUNDED INDEBTEDNESS:			
6 per cent. Gold Coupon Notes due 1931		4,000,000.00	
Consolidated Mortgage 8 per cent. Gold Bonds Maturing March 15, 1931, Balance outstanding	$2,794,200.00		
Underlying 6 per cent. Serial and 6 per cent. General Mortgage Bonds outstanding	5,457,500.00		
		8,251,700.00	
			12,251,700.00
RESERVES:			
For Depreciation and Exhaustion		11,955,356.17	
For Timber Limits resulting from the revaluation thereof in 1927		4,250,058.77	
			16,205,414.94
SURPLUS AND UNDIVIDED PROFITS:			
As per detailed Surplus Account			8,339,976.06
CAPITAL STOCK ISSUED:			
Seven Per Cent Cumulative Preferred Stock 10,000 Shares of $100.00 each			1,000,000.00
Common Stock—250,000 Shares of no par value			5,000,000.00
			$43,985,025.86

Note: Supplementary Letters Patent have been obtained by the Company authorizing the creation of additional Capital Stock as under—
Six Per Cent Cumulative Preferred: 500,000 Shares of $100 each.
Common: 1,250,000 Shares of no par value.

CONTINGENT LIABILITIES:	
Bonds and other obligations of the Abitibi Electric Development Company Limited and the Abitibi Transportation & Navigation Company Limited, guaranteed by the Company to the extent of	$1,318,181.25

Approved on behalf of the Board.

W. A. BLACK,
Director.

L. R. WILSON,
Director.

PROFIT AND LOSS ACCOUNT

For the Year Ending December 31, 1927

Profit from Operations, including surplus arising from adjustment of logs inventory, after Income Tax but before Depreciation and Interest	$4,213,489.86
Provision for Depreciation and Exhaustion	546,422.60
Profit before Interest	3,667,067.26
Interest on Funded Debt, less Interest Received	762,493.06
Net Profit	$2,904,574.20

SURPLUS ACCOUNT

Net Profit as above		$2,904,574.20
DEDUCT:		
Dividends on:		
Preferred Stock	$ 70,000.00	
Common Stock	1,250,000.00	
		1,320,000.00
		1,584,574.20
Surplus as at December 31, 1926		7,847,893.62
		9,432,467.82
Transferred to Depreciation Reserve		1,092,491.76
Surplus as per Balance Sheet		$8,339,976.06

AUDITORS' REPORT TO THE SHAREHOLDERS:

We have examined the Books and Accounts of the Abitibi Power & Paper Company, Limited, for the year ending December 31, 1927, and have obtained all the information and explanations which we have required; and we certify that, in our opinion, the above Balance Sheet at December 31, 1927, is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us and as shown by the Books of the Company.

PRICE, WATERHOUSE & COMPANY,
Auditors.

Montreal, February 16, 1928.

Insurance for Buyer and Seller

GOVERNMENT PLAN FINDS NO SUPPORT WITH MARINE MEN

English Press Also is Very Hostile to a Canadian Lloyds

POOR RECORD CITED

British Warranties Offered as Proof of Canada's Geographical Handicap in Insurance Rates

From Our Own Correspondent

MONTREAL. — Local insurance men have lifted their voices in harmony with the English press which has been decrying the proposal of the Canadian Government to enter the marine insurance field by the creation of a "Canadian Lloyds." As a matter of fact it is the consensus of opinion in the marine world that rates too and from Canadian ports at the present time are so low as to be unsound and that for the Government to enter the field at lower rates would be nothing short of ridiculous.

As far as St. Lawrence ports are concerned, claim the marine men, there must always be a heavier rate for vessels trading in and out of Canadian ports, and if any proof is needed to support this fact, they say that it is only necessary to look at the losses and casualties that have been chalked up against vessels navigating in and about our waters.

It is for that reason that since time immemorial, warranties have prevailed against British North America which add something like 1 per cent. to the cost of hull insurance in winter and ½ per cent. in summer. This is simply an added charge which must be added to the regular British rates before British ships are permitted to trade in the majority of our ports In other words, British ships are prevented by the warranty from trading to and from most Canadian ports. In other words, British ships which automatically cancels the warranty.

Rule Holds Good

There are certain exceptions to this rule, Halifax being excluded from the warranty for instance, and most of these concessions were granted by the underwriters as a result of the Imperial Shipping Commission recommendations which were the result of a lengthy investigation into this question in 1924. In spite of this thorough enquiry, however, the rule still holds good as it has for scores of years, the underwriters claiming that there is a preponderance of total losses in Canadian waters over those of adjacent United States coasts.

So much for natural conditions which, if one may judge from the experience, are perpetually loaded against Canada.

World-Wide Competition

The next point held by the underwriters as precluding the possibility of the Government being able to make any headway in the business. is the fact that the marine insurance is the most open type of risk in the world, and that rates and conditions are subject to competition from companies operating in any part of the globe. On this basis, when companies who have the experience of the world from which to iron out their losses are unable to make profit, how (ask the underwriters) can a government, which would only operate along a few thousand miles of coast line, and that a notoriously difficult one, hope to achieve anything by their plan?

A third point that of course is raised is the fact that the marine insurance business is conducted by firms that have had as much as centuries of experience in the field. Over this period furthermore, they have built up a volume of experience that is the sine qua non of sound underwriting. At best therefore the government's move is regarded as merely a gesture.

English Press Hostile

As far as the English press are concerned, there is nothing but animosity for the proposal. "Already," says the London Times, "the concessions made to Canadian merchants and shippers have cost the London market a considerable sum, not only in reduction of premiums, but also by actual loss thereby.

"If the Canadian Minister of Marine and Fisheries knows how to avoid this—with an expensive staff to keep—it is perhaps just as well that he should make the effort. The minister does not appear to recognize that he is unable to control fogs, rocks, or ice. These are bad enough for outward-bound steamers from Canada, because their masters can control the sailing of the vessels if the conditions of weather are adverse, while for vessels inward-bound the masters have to take their chance without such choice. The concessions already made were quite unappreciated by the Canadian Government, and were largely granted by underwriters in consequence of threats of the kind referred to above."

Fairplay, a leading marine journal, sums up the situation by this reference: "The problem resolves itself into one of inadequate rating of known physical risks which in some respects are abnormal and must be accepted."

Wanamaker Was Best Insured Man

In the death last week of Rodman Wanamaker, famous owner of the Wanamaker stores of New York and Philadelphia, and widely known civic and social leader, life insurance lost its greatest living practical exponent. Mr. Wanamaker, following closely in his father's footsteps, held more life insurance than any other man in the world. He is known to have left an open order with his brokers to secure all the life insurance possible on his life. He long since exhausted the American market and had considerable coverage in force in Canada and England. The total has been given as high as $7,500,000.

SUCCESS ACHIEVED BY FARM MUTUALS THROUGH ONTARIO

Analysis of Various Insurers Shows Other Groups Prosper Also

The oustanding success of the farmers' mutual fire insurance companies is the main feature of the annual report of the Superintendent of Insurance of Ontario for 1927. The report also shows that there were during the year some 45 life insurance companies, some 38 fraternal societies and 258 fire insurance companies licensed to transact business in the province, and gives an analysis of the underwriting experience within Ontario of all life insurers for the year 1926. This is the second year that this analysis has been made, and over a period of years it should prove of distinct value.

Regarding the farmers' mutual fire companies it is noted that the year was the most prosperous that they have enjoyed since 1920. There are 71 companies which at the end of '26 had written over $545,000,000 of fire insurance, and had total assets of $16,700,000. Further strides are indicated by the fact that cash assets totaled $1,500,000 which is an increase of $576,000 over the same item for the previous year.

Minimum Premium Basis

In reviewing the premium regulations under which these companies operate, Superintendent Foster points to the act of 1924 which fixed a minimum rate of 80 cents for three years (30 cents per year in instalments) for every $100 of insurance on agricultural property other than brick, stone or concrete dwellings, and provides that the minimum cash payment may be reduced under certain conditions as long as the cash surplus of the company is not less than 25 cents for every $100 of the total amount at risk.

When this law came into force the majority of companies were forced to increase their rates substantially, and only 11 companies were sufficiently strong so as to permit them to continue charging rates lower than the prescribed minimum. At the present time, 10 companies have worked themselves into a strong position to reduce their rates in accordance with the act, and practically all these have been able to provide a very substantial margin of cash surplus over the statutory requirements.

Points in Other Fields

The premium income of life insurance companies in Ontario amounted to over $59,000,000 which is an increase of 11.1 per cent. over the previous year. The new business issued during 1926 was greater than the amount issued in 1925 by $42,000,000 which is an increase of 11.4 per cent. In the fraternal field there is a decrease in the amount of mortuary certificates in force, the amount at the end of 1926 being $128,000,000 or 6.3 per cent. less than in 1925. The most satisfactory feature about fire insurance, was a further reduction in the ratio of losses incurred to premiums written, the ratio declining from 52.6 per cent. in 1925 to 46.4 per cent. in 1926.

This year for the first time the superintendent has calculated loss ratios on the earned premium basis and it is also interesting to note, that the experience of the 10 reciprocals licensed in Ontario was very poor. The ratio of net losses incurred through net premiums earned, being 103 per cent. During the year the number of companies licensed to transact automobile insurance increased from 109 to 121. While net premiums written increased 8 per cent., losses incurred in this field increased 24 per cent. during the year.

Weak Hearts Lost Millions, Say Insurance Statistics

Some diseases more than others, are responsible for the larger payments in death claims by life insurance companies. Thus, during 1927, organic heart diseases were responsible for the payment of more death claims in Canada and in the United States by the Metropolitan Life, than any other diseases. Of a total of one hundred millions of dollars paid by the company during 1927, no less than fourteen millions of dollars were paid for deaths caused by organic diseases of the heart.

"Next in importance comes deaths due to external causes—accidents, suicides and homicides. In death claims attributed to accident, the company paid out in 1927 no less than ten million dollars; in the case of suicides, two million dollars; in the case of homicides, over one million dollars.

Tuberculosis comes next in importance with payments in death claims amounting to approximately ten million dollars. Cancer took fourth place with nearly ten million dollars.

DAIRY PRODUCTION ADVANCES IN N.B.

Aggregate Output of Creameries Up 468,907 lbs. Over Previous Year

An increase in the production of dairy products for 1927, is reported by the New Brunswick department of agriculture.

Weather conditions throughout the summer and fall were very favorable, and pastures were excellent. This fact had considerable bearing upon the increase in dairy production. The steady increase in the manufacture of creamery butter and ice cream is evidence of the greater interest taken throughout the province in the dairying industry. The increase in butter amounted to 30 per cent. over last year's production, and the increase in ice-cream was 26,252 gallons, valued at $35,100 over last season. The ice-cream trade has become an important branch of the dairying industry, the total value of ice-cream produced in 1927 being $278,764.

The combined output of butter of all creameries shows an increase of 468,907 pounds over 1926. Practically all creameries reported an increase in manufacture. Twenty-two creameries were operating, having a total output of 1,885,262 pounds of butter valued at $717,284.83. There were 17 cheese factories operating, having a total output of 802,000 pounds of cheese having a value of $153,812.43.

Grading of cheese was done twice monthly in precisely the same manner as last season. The standard of first grade cheese was raised somewhat, nevertheless, there was no third grade and less second grade cheese than in 1926. There were 9,210 boxes of cheese graded during the season, of which 9,022 boxes were first grade and 188 boxes second grade. The combined total value of factory dairy products was $1,149,859.53.

Chambers of Commerce To Meet at Quebec

The third annual convention of the Canadian Chamber of Commerce will be held at the Chateau Frontenac, in Quebec City, on June 7th, 8th and 9th. A program of special interest to boards of trade and chambers of commerce is being arranged and practical discussions will take place on Canadian economic questions of national import. Representatives from not only the boards of trade and chambers of commerce will be in attendance, but invitations will be extended to the various trade and commercial association of Canada to participate, and send delegates.

Many tentative reservations have already been made from western Canada and a large quota of delegates is also expected from central, and eastern Canada.

Government Cannot Find Owners of $3,000,000

Bonds Purchase by Citizens Have Disappeared Through Death, Fire or Mischance — Many Date Back Prior to Confederation

Thrifty persons who make a hobby of calculating the magic power of interest rates on a capital sum of money invested, estimate that if someone had taken one of the copper coins which the Pharaohs used to throw to their slaves occasionally for pyramid building, and invested it at 5 per cent. the capital sum today would be somewhere in the trillions of millions of dollars. The exact amount is immaterial. It is sufficient that it would remove many nations from the shadow of poverty.

Savings, in the abstract, are among the fondest desires of the human heart although in reality it is not easy to lay aside money. However difficult it may be to save money it is a fact that it is not willingly lost. The loss of even a small amount occasions keenest regrets and self condemnation.

Yet there is a great deal of money, or its equivalent, lost each year in Canada. How much is uncertain but occasionally evidence of such losses is found. In the last 100 years, for example, the Canadian people have lost several millions of dollars.

Cannot Find Owners

In the public accounts of the Dominion government there is a page showing the amount which the government owes but for which it cannot find owners. Governments, of course, keep strict account of their indebtedness. Of late years the losses have increased enormously. These losses occur largely in bond issues and the explanation is that many loans were issued in small denominations and many citizens, unused to investments, bought $50 bonds and through death, fire or mischance these bonds have disappeared.

In 1915 the Dominion government issued a 10 year loan which was refunded in 1925, yet there is $166,300. of this issue still outstanding. Owners of the bonds have lost them and the government still carries the amount in the debt column. More than three thousand of these bonds have disappeared and no doubt represent losses among more than one thousand people.

This also is true of later issues. Of the five year loan of 1927 $139,100 is unpaid. Two other five year loans issued in the two succeeding years are still kept open on the government's books because more than 5,000 bonds, representing roughly $374,000. have never been presented for payment.

This is not a newly developed trait in modern folk. It has always been so. There is still outstanding more than $50,000. of debt which matured and was retired prior to Confederation. Even money which the early British governments set aside to compensate the French seigneurs for the loss of their seigneuries has never been wholly disbursed. The seigneurs died without receiving compensation, leaving no heirs, and not having the presence of mind to tell the government so that endless book-keeping entries might be avoided.

P.E.I. Land Owners

Then the Dominion bought back the land in Prince Edward Island which had been granted to private individuals but apparently some of these land owners never appeared to receive their money. Provincial notes issued by the Nova Scotia and New Brunswick governments prior to Confederation are still outstanding although retired in bulk long since. All told the Federal government owes more than $3,000,000 for which the rightful owners cannot be found. This is made up as follows:

Compensation to seigneurs	$ 12,140
Compensation to townships.	153
Nova Scotia notes	39,184
Land warrants, P.E.I.	549
New Brunswick debentures.	600
Province of Canada deben..	400
Dominion of Canada stock..	78,766
Debent. stock matured 1919	1,000
Debent. stock matured 1921	200
War saving certificates....	109,681
War stamps	18,252
Dominion saving certificates	30,315
Victory loans maturing 1922	139,100
Victory loans maturing 1923	202,800
Victory loans maturing 1924	172,850
Victory Loan maturing 1925	166,300
Public service loan maturing 1926	15,000
One year treasury notes maturing 1926	4,000
Earned but unpaid interest	2,026,673

Not only do investors lose bonds but they lose interest coupons also. Indeed more interest coupons are lost than bonds. The government, of course, keeps account of all interest due and unpaid.

It is a curious fact that the government should hold more than $3,000,000 of money belonging to various people scattered over the face of the earth, and be unable to find them. If the government paid interest on these overdue debts the total would soon reach staggering proportions. Fortunately for the public treasury the rule has been laid down that interest is earned only up to date of maturity. Thereafter the capital sum never increases and it lies in the treasury awaiting the rightful owner or his heirs and successors. In the meantime it does useful work in earning interest for the state.

Dollar to Visit East

A. M. Dollar, president of the Canadian Chamber of Commerce, is now in Europe and on his return, toward the end of March, intends to visit various centres in the Maritime Provinces, Quebec and Ontario, and to meet as many leaders as possible in local board and chamber activities.

Exports of wheat for the current crop year to March 8, totalled 48,911,508 bushels, according to the weekly statement of the Vancouver Harbor Board.

New Chambers of Commerce Are Formed in Canada

The interest shown in different parts of Canada in the reorganizing of existing Boards and Chambers, and in the creation of new local organizations, is a healthy sign in the community life of Canada, says the Canadian Chamber of Commerce monthly bulletin. Oshawa has just successfully completed its campaign for a strong Chamber of Commerce. Claresholm and Nanton, Alberta; Tilbury, Ont., and Verdun, Que., have also recently set up local organizations. The present boards or chambers at Stratford and Kingston, Ont., at Merritt, B. C., at Souris, Manitoba, and at Middleton, N. S., and the Eastern Townships Associated Boards of Trade in the Province of Quebec, are all taking on new life and are formulating constructive programs for their respective municipal welfare. The Chambers of Commerce at Edmonton, Windsor and Peterborough have also, this past month, been actively at work in a campaign for a larger membership. New boards or chambers are being contemplated for the towns of Clinton and Lindsay, Ont., Slocan Park, B. C., Wetaskiwin and Viking, Alta.

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(non tariff)
Applications for agencies invited.
President Hon. W. D. Euler
Man. Director D. McIntosh

The Ontario Equitable Life and Accident Insurance Company
S. C. TWEED, *President*
Head Office:
Waterloo, Ontario

Assets (Dec. 31, 1927)	$4,447,665
Reserves	2,993,047
Insurance in force	36,733,795

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Toronto, Montreal, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver, Victoria, St. John, Halifax.

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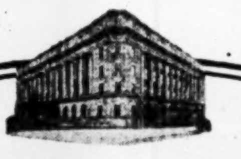

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To better human conditions; to make it easier for the working man to get along; to lengthen his life; to make it possible for him to bring up his children as they should be brought up; to spread happiness—these are the ideals that inspire the personnel of the METROPOLITAN LIFE, the world's leading financial institution.
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For example — rates to Mexico City for a three-minute talk are —

	Station to Station	Person to Person
From Montreal	$12.75	$16.00
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Bringing the Saguenay's Forces to Quebec City

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This gigantic development brings to Quebec City 100,000 horse-power—which represents the combined effort of over one million men. In addition to this are other tremendous developments within the five-hundred mile area between Three Rivers and Gaspe, such as Shawinigan Falls and the St. Maurice Valley.

Even as the ancient Capital is now the commercial and industrial centre of this vast territory so fabulously rich in water-power and the industries dependent upon it, so is Quebec's only English daily—

Chronicle-Telegraph
QUEBEC

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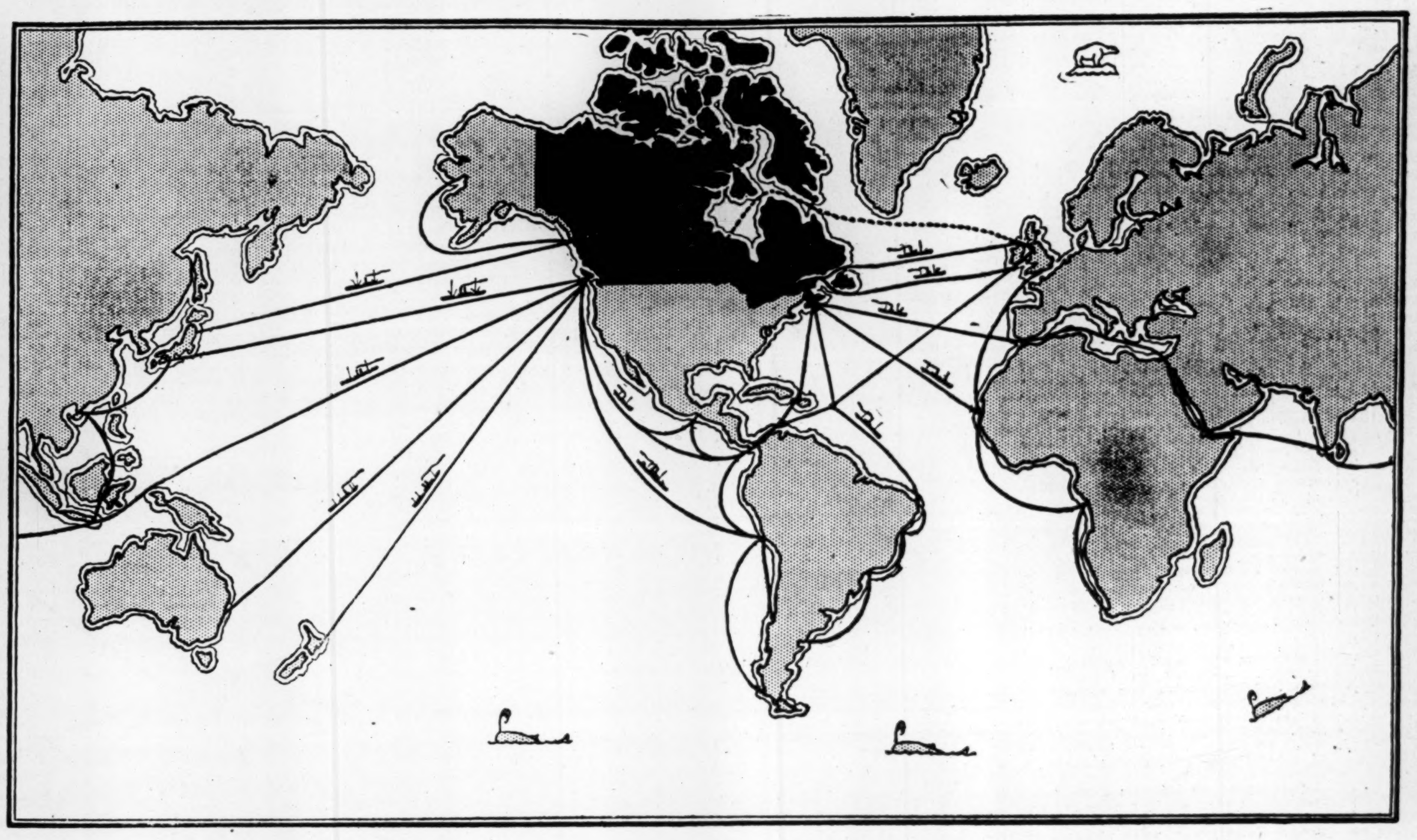
Any advertising agency will give you rates, or write to
E. G. SMITH
General Manager
QUEBEC, P.Q.

Across the Seven Seas



ALONG the trade routes over the Seven Seas, leading to more than 100 different countries, go Canadian products. Other peoples—often peoples of strange languages and different customs—have shown their preference for Canadian commodities. This to the extent of a billion and a quarter dollars a year. They buy from us on the basis of right quality and right price. But greater export trade opportunities await Canada from across the Seven Seas.

* * *

Year by year Canada is exporting more manufactured goods. In a quarter of a century our export of manufactured goods has increased seven fold. That part of our export trade now amounts to $700,000,000 annually, or about a quarter of our total factory output.

While Canadian manufactured goods have gained a foothold in some of the world's greatest markets, still the volume we export is small when compared with what these same markets import.

Let us take a number of Canadian manufactured commodities, sold mostly in 23 countries, eight of which are in the Empire. Let us place the Canadian exports of these countries against the imports of these countries, and demonstrate the field for greater Canadian business:

The possibilities for greater Canadian exports

Manufactured Commodity	*What 23 countries import*	*Amount Canada exports to these 23 countries*
Rolling Mill Products	$378,436,000	$2,143,621
Tubes and Pipe (Iron)	75,606,000	1,919,014
Machinery (not agricultural)	435,605,000	4,298,667
Farm Machinery	72,314,000	15,430,149
Automobiles	259,118,000	26,379,152
Rubber Boots and Shoes	9,918,000	5,568,261
Rubber Tires	97,900,000	15,291,224
Musical Instruments	64,955,000	1,286,000
Printing Paper	215,977,000	116,920,699
Lumber and Timber	626,375,000	62,065,596
Sugar, Refined	167,254,000	11,175,806
Meats, prepared, preserved or canned	337,469,000	22,052,290
Milk, Condensed	52,968,000	4,286,244
Butter	333,304,000	3,083,801
Cheese	131,334,000	24,853,503
Fish, dried, smoked, salted or preserved	170,228,000	20,937,106
Flour of Wheat	173,943,000	51,223,271

These are the latest statistics available. The 23 countries are: United Kingdom, Australia, British India, British South Africa, British Straits Settlements, British West India Colonies, Irish Free State, New Zealand, Argentina, Belgium, Brazil, Chile, China, Cuba, Czecho-Slovakia, Dutch East Indies, France, Germany, Italy, Japan, Mexico, Netherlands, United States.

The accompanying figures tell something of the possibilities for sixteen Canadian manufactured commodities already in the export field. They also show what Canada has accomplished in twenty-three countries—a creditable performance for nine million people scattered over half a continent. But we can accomplish greater things if we go after them in our straight-forward Canadian manner.

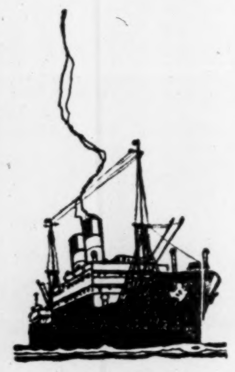
Every Canadian manufacturer should keep a map of the world hung up in his office—a silent reminder that Canada cannot live to herself.

* * *

In entering foreign trade the Canadian manufacturer must be prepared to: 1. Give a standard of quality. 2. Make the articles required by the importer. 3. Pack in the manner the importer desires. 4. Deliver promptly. 5. Maintain contract dates.

The advantages of export trade to the manufacturer are: 1. Keeps plants in full operation. 2. Brings about a lowering of production costs at home. 3. Lowers prices to home consumer. 4. Stabilizes employment.

We help you get the facts about new markets



The Department of Trade and Commerce has a fully organized and experienced Commercial Intelligence Service working solely to help Canadian exporters. Under the direction of this Service are 24 trained Trade Commissioners, strategically located in different parts of the world. Each of these Trade Commissioners is acquainted with the demands and requirements of the people in his territory.

Trade Commissioners are ready to conduct preliminary surveys regarding the marketability of any Canadian product. They will put the Canadian exporter into touch with reliable representatives, or introduce his travellers to trade houses. They constantly aid Canadians in maintaining business contacts. These services cost the Canadian exporter nothing.

Hundreds of Canadian firms have built up substantial export accounts which can be traced directly to the efforts of the Trade Commissioners.

If you are a Canadian manufacturer or producer you cannot afford to overlook export opportunities. The Commercial Intelligence Journal, published weekly, by the Department, will give you ideas on foreign demand. Write us today about your products and your capacity to participate in export trade. The information in possession of the Commercial Intelligence Service is at the disposal of every Canadian exporter.

THE DEPARTMENT of TRADE and COMMERCE

Hon. James Malcolm, *Minister* **OTTAWA** **F. C. T. O'Hara**, *Deputy Minister*

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

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Grain Inspection is Not to Blame for Lower Grades

Poor Weather of Past Two Years Affects Quality

BRITISHERS COMPLAIN

English Millers Say Wheat They Buy from Canada Falls Below Accepted Standards

From Our Own Correspondent

WINNIPEG.—Reports are reaching Winnipeg from England, and also through Ottawa, that millers in England are complaining that the standard of Canadian wheat has been lower lately than in previous years and that the buyers are seriously exercised about the situation. As is usual when such complaints are made, there is a tendency at once to blame the condition upon the mixing of grain in private elevators, both those operated by the Wheat Pool and those in the hands of other grain companies. It is altogether probable that there are some grounds for the statement as to grades not being up to those of previous years but if such is the case the complaint does not lie against the mixing houses nor is the remedy to be sought by preventing or eliminating the mixing of grain.

The simple fact is that the grain produced in Western Canada these past two years has not been up to the standard of previous years, owing largely to weather conditions, both those prevailing during the growing season and those experienced at harvest time. It is impossible to send abroad better grain than is grown and no amount of regulation or restriction can put into grain a quality it does not already possess.

Under Government Control

As is well known, the grading of grain is entirely in the hands of the Dominion Government Inspection Department. Every carload of grain receives a government grade before it goes into the terminal elevator. Every shipment of grain is graded out of the elevators by the same department. In the case of wheat, the three higher grades are defined by statute, the Canada Grain Act. The standards of lower grades of wheat are fixed each year by the Grain Standards Board and of necessity they vary each year according to the nature of the crop. The defects which prevent grain from being put into statutory grades may be due to rust, to frost, to softness, to bleaching or to many other factors produced by the weather.

Nature Knows Not Our Laws

It may be asked why, if the grades of No. 1 Manitoba Northern, No. 2 Manitoba Northern and No. 3 Manitoba Northern are defined by law, there is a variation from year to year. Unfortunately wheat grows in accordance with the laws of nature and pays no attention to Acts of Parliament. Take for example the statutory definition of No. 1 Manitoba Northern wheat, which reads that grain of such grade "shall include all varieties of hard red spring wheat equal in value to "Marquis" wheat; shall be well matured and well cleaned, weighing not less than 60 pounds to the bushel and practically free of damaged kernels and foreign grain; shall contain sixty per cent. of hard red vitreous kernels."

That is a minimum definition. In many years our No. 1 wheat is better than the minimum. Frequently it weighs more than 60 pounds to the bushel; frequently it contains more than sixty per cent. of "hard red vitreous kernels."

Second Grade of Wheat

No. 2 Manitoba Northern Wheat must also consist of hard red spring wheat equal in value to "Marquis" wheat but it is only required to be "reasonably" sound and "reasonably" clean, weighing not less than 58 pounds to the bushel and containing forty-five per cent. of hard red vitreous kernels." It may also be composed of soft varieties of red spring wheat, which shall be sound and reasonably clean. In this case it is required to weigh not less than 60 pounds to the bushel and to contain sixty per cent. of red kernels and it may contain Amber or Red Durum wheat singly or in combination up to one per cent.

There is a considerable margin between forty-five and sixty per cent. of hard red vitreous kernels. In some years the bulk of the grain graded No. 2 Manitoba Northern has contained much nearer sixty per cent. than forty-five per cent. of such kernels. This last year it is fair to say that the bulk of the grain so graded has been nearer forty-five per cent. for the simple reason that weather conditions prevailing did not result in the usual percentage of such kind of wheat. Weather conditions are, of course, outside of the control of farmers but there is one factor tending to the production of a lower quality of wheat which should be mentioned and that is an increasing percentage of poorer varieties sown. Agricultural authorities in the west have been aroused to protest against many new varieties grown on different farms, sometimes through carelessness and sometimes in a deliberate effort to find a wheat less susceptible to rust than "Marquis."

Bound To Be Variation

Coming now to No. 3 Manitoba Northern wheat, we find that it "shall consist of red spring wheat varieties which are excluded from the preceeding grades on account of damage; shall be "reasonably" clean, of fair milling quality, weighing not less than 57 pounds to the bushel, and may contain Amber or Red Durum singly or in combination up to three per cent. In this grade it will be seen that while wheat must be red no minimum is set for the percentage of kernels that must be hard and vitreous. Some years the bulk of the grain which falls into this grade will contain a very high percentage of such kernels. In other years, such as the past two years and especially last year, the percentage of such kernels produced is low.

Thus the Inspection Department each year have a different quality of grain to grade and no matter how severely they stick to the legal definitions, the grain they place in these three grades will vary in quality Dominion Government is exposed from year to year.

Fired At From Two Sides

In a year when wheat is graded low the Inspection Department of the to a double-barrelled fire of criticism. On the one hand the farmers are inclined to blame the inspectors for being too severe on their grain and giving it a lower grade than it should be entitled to. On the other hand the buyers of the grain make complaints that their purchases are not up to expected qualities. In a year when most of the grain is high grade these complaints largely disappear. The millers will get better grain than in the previous year and at the same time the farmers, if their grain is graded high, will have nothing to complain about.

This much is sure; that there is no ground for the accusation which has sometimes been made that the Inspection Department are more severe in grading grain into the terminal elevators than out of such elevators. In what are known as public elevators no mixing of grades whatever takes place. All No. 1 Northern is put into one set of bins and other grades into other sets of bins. It must come out of those bins as it goes in and be shipped under the same grades. Consequently the same grain going out gets exactly the same grade as when it went in. Government inspectors have control over the bins and it is their business to see that grain is shipped out under the same grade under which it was received.

But in the elevators which are known as "private," government inspection stops when grain enters under a certain grade and is resumed when grain is shipped out again and mixing of different grades is allowed. This is an absolutely necessary feature of the handling of the western crop. The important point to note about the grading out of such elevators is that grain shipped out is required to be, not only up to the minimum standard for such grain but also up to the average of grain shipped out of public terminal elevators. In a year, therefore, in which grain runs of a particularly high quality the grain coming out of the mixing houses must be of a higher quality than is allowed in years when the general average is low. Also it must be noted that grain of the minimum standard for a particular grade might go into a terminal elevator under that grade, but it could not be shipped out again as of the same grade because of failure to reach the average quality. Those familiar with the trade are unanimous in the opinion that there is absolutely no leniency on the part of the government inspectors with respect to grain shipped out of private elevators.

Leniency, If Any, Other Way

In fact the suggestion is made by experienced grain men that if there is any leniency on the part of the Inspection Department toward variation between inward and outward inspection it would be in exactly the opposite direction. The integrity of the Inspection Department is beyond doubt, but if the inspectors are human and susceptible at all to pressure the pressure would be to make them lenient of their grading of farmers' grain and severe in the grading of grain coming out of terminal elevators. The reason is simple. If a farmer gets a lower grade for his grain than he expects he is likely to complain and when grades are running low the volume of complaints rises to a chorus. More than that, the elevator companies and commission houses handling grain for farmers endeavor to get the best possible grade and price for their clients. They check the government grading of cars handled and whenever they think the inspectors have been unduly severe upon a particular sample, they apply for re-inspection. Not infrequently they are successful in getting the grade of a car of grain improved. After all, when grain is very close to the borderland between two grades it will be a matter of judgment as to whether it should go into the higher or the lower grade and on re-inspection a different judgment may prevail. No one ever complains of a grade being too high. The inspectors, therefore, in any doubtful case have to face the possibility of their grading being questioned if it appeared to be too severe and not infrequently have their judgment over-ruled. If the complaints and the demand for re-inspection have any effect whatever upon the judgment of inspectors it must be in a tendency to make them less severe.

There are grain men who will say that such an effect has actually been produced and that the rigidness of grading has to a certain extent suffered as a result. Others appear to think that there has been no such effect, and that any deterioration in the different grades is actually to be attributed to the quality of the crop produced in any one year. But when the outward inspection from terminal elevators is under consideration the pressure is entirely the other way. If an inspector allows a partial or a cargo of grain to be loaded as No. 3 when it should be No. 4 or where it is close to the borderline, he is certain to hear of it when the grain comes into the possession of the buyer. In any doubtful case he faces the possibility of such a complaint if he is not severe enough.

Mixing Houses Are Essential

Reference was made above to the necessity of mixing-houses in handling of the Canadian crop. A few years ago there were many denunciations on the part of many farmers of the practice of mixing grain. Often such denunciations were made by farmers who are now leaders in the Wheat Pool movement, but they no longer express themselves on the subject, now that the Wheat Pool themselves are conducting mixing on the largest scale ever known in the West. There is no reason for criticising the Pool on this account; its leaders have simply discovered in this respect, as in many other respects, that they have to conform to the ordinary trade practices in handling grain, if they are to do so to advantage.

The primary reason for mixing grain is the fact that grain reaches the terminal elevators in a multiplicity of grades, and must be shipped abroad in large consignments of a comparatively few grades. In the West, for example, there are six primary classifications of grading, from No. 1 down to No. 6, while wheat below No. 1 is classed as feed. Each of these grades is subject to modifications on account of being tough, damp, rejected for admixture of other grains, or as being damaged by smut. Then there are corresponding classifications for Durum wheat, and some other different classifications. The possible number of grade combinations runs into the thousands, while several hundred grades have actually been experienced in recent years. A single carload of wheat may be handled as far as a terminal elevator under any conceivable grade, but single carloads of wheat cannot be shipped abroad. Carloads must be combined into cargoes, and whole cargoes, or large parcels making them up, must be given some grade, consequently it is a necessity of the trade to combine together different grades of wheat. If it were not for mixing, the market on off grades of wheat would be extremely poor. The fact that mixing-houses are competing for supplies of such off grades has meant much better prices for such grades in recent years than would otherwise prevail.

Bridge Co. Plant Increases Capacity

MONTREAL. — Dominion Bridge is enlarging its plant to provide additional facilities for the production of structural steel. The present plant has a capacity of 225 tons per day, and by the time the new extensions are completed, there will be a total capacity of 325 tons.

The additional 100 tons capacity is made necessary by the fact that at the present time the plant is running at capacity, and that orders on hand are in themselves sufficient to warrant this additional equipment.

MAY SELL P.G.E., SAVE $4,000,000 ON CONSTRUCTION

Premier Hints New Owners Soon to be in Control

From Our Own Correspondent

VANCOUVER.—Now that the British Columbia legislature has voted for a loan of $4,000,000 for the Pacific Great Eastern Railway, what will the government do with the road?

The legislature has prorogued and the question is unanswered. About the only satisfaction that Premier J. D. MacLean gave an expectant House during the session was that a deal was pending and that it would probably be completed within a few weeks. Indeed, the premier expressed the hope that there would be no need for the government to spend the $4,000,000 which the house had authorized. He indicated that by the time the government would be in a position to spend the money on a programme of new construction, the whole project would be in the hands of the new owners.

Just who these owners are to be is still a mystery, although it is generally understood that Canadian National Railways is the favored bidder and that it is now merely a question of terms. Tentative arrangements for the deal were made by Premier MacLean when he was in Ottawa a few months ago. So far as known, there are no other prospective buyers in the field. About a year ago representatives of a United States syndicate toured the Pacific Great Eastern Railway and reported rather non-committally that considerable work would have to be done on the road before it could be put on a satisfactory basis. The Canadian Pacific has always been mentioned as a possible buyer, but its attitude had seemingly been indifferent.

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Hydro Power Plants of Dominion

Company	Plants	H.P. Installed
Abitibi Power & Paper	Twin and Island Falls	102,000
	Espanola	20,800
	Sturgeon and Smokey Falls	23,790
British Columbia Electric Ry.	Goldstream	4,600
	Jordan River	25,000
	Coquitlam-Buntzen	84,000
	Stave Falls	77,500
	Alouette	12,500
Bathurst Power & Paper	Grand Falls	9,000
Backus Brooks	Kenora	30,875
Calabogie Light & Power	Calabogie	6,000
Calgary Power	Kananaskis	11,600
	Horseshoe Falls	20,000
Calgary Water Power	Eau Claire	780
Canada Northern Power	Wawaitin	14,900
	Sand Falls	4,900
	Sturgeon Falls	8,000
	Howard Chute	5,340
	Matabetchouan	13,200
	Fountain Falls	3,000
	Indian Chutes	4,000
	Quinze	40,000
Canadian Collieries	Puntledge River	12,000
Canadian Light & Power	St. Timothee	30,400
Canadian Niagara Power	Niagara Falls	121,000
Chicoutimi Electric	Chute Garneau	3,500
Dominion Power & Trans.	De Cew Falls	45,000
Duke-Price Power	Grande Discharge	450,000
East Kootenay Power	Bull River	7,200
	Elk River	15,000
Gatineau Power	Chelsea	102,000
	Farmers	72,000
	Bryson	25,700
	Hull	36,600
	Kipawa	24,000
	Nine small plants	16,000
Granby Consolidated	Anyox	13,400
Great Lake Power	Soo	28,050
Hydro-Electric of Ontario	Big Chute	6,200
	Wasdells Falls	1,200
	South Falls	5,400
	Eugenia Falls	8,500
	Central Ontario	57,950
	Niagara System	872,700
	Rideau	4,450
	Nipissing	3,600
	Nipigon	75,000
Kaministiquia Power	Kakabeka Falls	34,250
Laurentide Power	Grand'mere	176,000
Lower St. Lawrence	Metis	3,500
Manitoba Power	Great Falls	112,000
Maritime Electric	Milltown	450
Maine and N. B. Power	Aroostook	11,400
Montmagny Electric	Two plants	2,800
Montreal "Power" Cons.	Cedars	197,400
	Soulanges	16,500
	Chambly	21,600
	Lachine	15,800
Municipality of Campbellford	Campbellford	3,370
Municipality of Pr. Rupert	Woodworth Lake	1,650
Municipality of Orillia	Swift Rapids	6,360
Municipality of Renfrew	Bonnechere	1,965
Municipality of Sherbrooke	St. Francis	11,250
Municipality of Winnipeg	Pte. du Bois	105,000
Nanaimo Light, Power & H.	Millstone River	450
	Coal Creek	150
New Brunswick Power Com.	Musquash	11,000
Nova Scotia Power Com.	St. Margarets Bay	10,820
	Malay Bay	5,550
	Ruth Falls	6,290
Ottawa "Power" Co.	Chaudiere	4,800
	Chaudiere	11,340
Pacific Mills	Ocean Falls	20,850
Peterborough Hydraulic	Peterborough	6,000
Pembroke Electric	Waltham	3,600
Powell River	Powell River	49,860
Price Brothers	Two Saguenay plants	70,100
Quebec Power	St. Gabriel	2,200
	Montmorency	7,625
	St. Fereol	24,000
Quinte & Trent Valley	Frankford	2,000
	Campbellford	2,000
Saguenay Light & Power	Chicoutimi	7,200
Shawinigan Power	Shawinigan Falls	191,500
	La Gabelle	120,000
Southern Canada Power	Sherbrooke	4,050
	Drummondville	19,500
	Hemmings Falls	33,600
Wahnapitae Power	Secord	3,600
	Dryden	6,300
	Long Sault	7,000
West Kootenay	Bonnington	94,000
	Cascade	3,900
Winnipeg Electric	Pinawa	37,800

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DOMINION MAKES NEW TRADE PACT WITH SLOVAKIANS

By New Agreement Canada Holds Big Market in Czecho-Slovakia

A new trade arrangement has been entered into between Canada and Czecho-Slovakia. Under this agreement the two companies give each other most-favored nation treatment.

A temporary trade pact between the two countries was signed last year and it will remain in effect until the new treaty is ratified by Canadian parliament. Under the old treaty Czecho-Slovakia grants to Canada most-favored nation treatment on 71 principal items of export, and in return Canada grants the benefits of the intermediate tariff.

Canada's trade with Czecho-Slovakia consists mostly of foodstuffs, as well as minerals and metals, rubber footwear, rubber tires, automobiles, adding machines and a number of products of less importance.

Trade in Wheat Flour

By the new convention an important flour market in Czecho-Slovakia has been preserved for Canada. In 1926 more Canadian flour was sold in Czecho-Slovakia than in any other country except Great Britain. It is estimated by importers that about 70 per cent. of the North American flour sold on the Czecho-Slovakia market in 1926 originated in Canada. From the total imports of wheat flour, 2,531,287 barrels, in the calendar year 1926, according to Czecho-Slovak statistical returns, 1,021,248 barrels, valued at 293,401,000 Cz. Cr., or $8,699,340, originated in North America. Taking the Canadian ratio at 70 per cent., 714,873 barrels would be worth $6,089,538 at the Czecho-Slovak frontier. These figures include only imports designed in the returns as coming from Canada, Hamburg, and the United States, without even taking into consideration that probably a part of the imports credited to Germany, 193,725 barrels, and to the port of Trieste, 15,757 barrels, is of North American origin. If the average price of flour is taken, basis Canadian port, at $6.50 per barrel, the amount is reached of $4,875,000 for a very conservative estimate of 750,000 barrels of Canadian flour as having been imported to Czecho-Slovakia in the fiscal year ending March, 1927. These figures correspond with the estimate made by the Canadian Trade Commissioner at Hamburg.

Not Shown as Direct

As the bulk of Canadian flour is in the first instance, consigned to the free port of Hamburg, it is hence placed in the Canadian trade returns among the export to Germany, only 43,583 barrels, valued at $289,155 appearing there as being exported in the fiscal year 1926-27, to Czecho-Slovakia. On the other hand, Czecho-Slovak trade statistics which give only figures of direct shipments of flour from Canada to Czecho-Slovakia, show an import of 110,459 barrels worth $914,228 for the same period, at the same time crediting 868,196 barrels, valued at $7,339,324 to Hamburg, and 67,649 barrels, worth $551,371 to the United States.

Beauharnois Bill Sanctioned in Quebec

From Our Own Correspondent

MONTREAL. — With the passing of the Beauharnois Light, Heat and Power Co., bill by Upper Quebec House this week, the scene now shifts to Ottawa. Final assent to the bill has now been given by both the Quebec houses, so that there remains only the citadel at Parliament Hill to be stormed and won.

The bill remains in almost the same form in which it was presented to the legislature with the exception of a clause inserted for the protection of companies already engaged in power activities in the region. The clause finally adopted by the Legislative Council is as follows:

"Nothing in the present law may be interpreted as permitting the company to violate the rights now held by any other company for the operation of plants producing electric power."

COSGRAVES MAY MERGE SHORTLY IT IS RUMORED

From Our Own Correspondent

MONTREAL.—Despite its market inactivity, Cosgrave Brewery is said to have commenced negotiations leading to a merger. No details of such a deal are available, though. It is also rumored that the directors may take steps to increase the annual dividend before the next payment date, June 15.

In spite of the activity in brewing stocks and the breweries in Ontario, the stock of this company has been jogging along much as it did in 1926. At the present time it is being quietly absorbed at about 8½, which is one-half a point below the high for 1926. However, there are rumors that there is considerable absorption at this point and that one or two large buyers are working quietly acquiring as much of the stock as possible. Last summer the stock was active, reaching a high point of 12, but shortly afterwards it subsided again toward the present price.

The company itself was organized in 1921 to take over the family business of that name. Its head office for legal purposes is in Montreal, but actually all important business is transacted at the company's plant in Toronto. Its products are three in number, namely, ale, porter and half and half, with a capacity of about 100,000 bbls. per annum.

The capital stock of which there is authorized and issued $1,000,000, has a par value of $10, and dividends were on a 7 per cent. basis until 1924 when this was reduced to 6 per cent. In 1926, and thereafter the dividend was decreased to 5 per cent., but as earnings for the year ending Aug. 31, 1927, showed an 85 per cent. increase over the previous year, there is probably justification for returning to the old dividend scale. Annual dividend requirements are $50,000, as against net earnings (1927) of $88,900.

CANADIANS BUY INTO CANADA DRY ON 1927 RECORD

Company's Favorable 1927 Year Arouses Interest in Shares

GOODWILL IS NOW $1

Caledonia Springs Plant, Bought During Year, Now Produces "Canada Dry"

Canadian buying interest in Canada Dry Ginger Ale Inc. shares, which are stated to have changed hands here to the tune of several thousand shares during the past few weeks, is undoubtedly due in part to the prosperous year enjoyed by the company in 1927. Despite an unusually bad beverage summer, profits of the company increased by more than a third, this result being due to two causes, larger consumption of the beverage itself, and higher profits per bottle. Net profits were $2,334,181 compared with $1,736,298 in the previous year; and net sales were up from previous high of $8,400,388 to $9,603,972. Dividends aggregating $1,491,700 were paid during the year against $883,337 in 1926; and surplus was increased by $339,504 to $2,124,329. Goodwill and patents were written down from $489,236 to $1.

Expansion in Canada

The Caledonia Springs Corp. of Montreal, purchased during the year, is in production of Canada Dry as well as producing and marketing Adanac, Magi and Duncan waters. Considerable economies have been effected through the operation of this plant and its use as a distributing centre for Canada Dry. The extract for the latter beverage is still prepared in the Toronto works and shipped from here to the various American and Canadian plants, these being located at Hudson, New York, and Maywood, Illinois, and at Edmonton, as well as Toronto and Montreal.

Sales so far this year have been considerably higher than any previous year, with January and February showing very large increases over last year.

Statistical Comparison

The following table shows how 1927 compares with previous years:

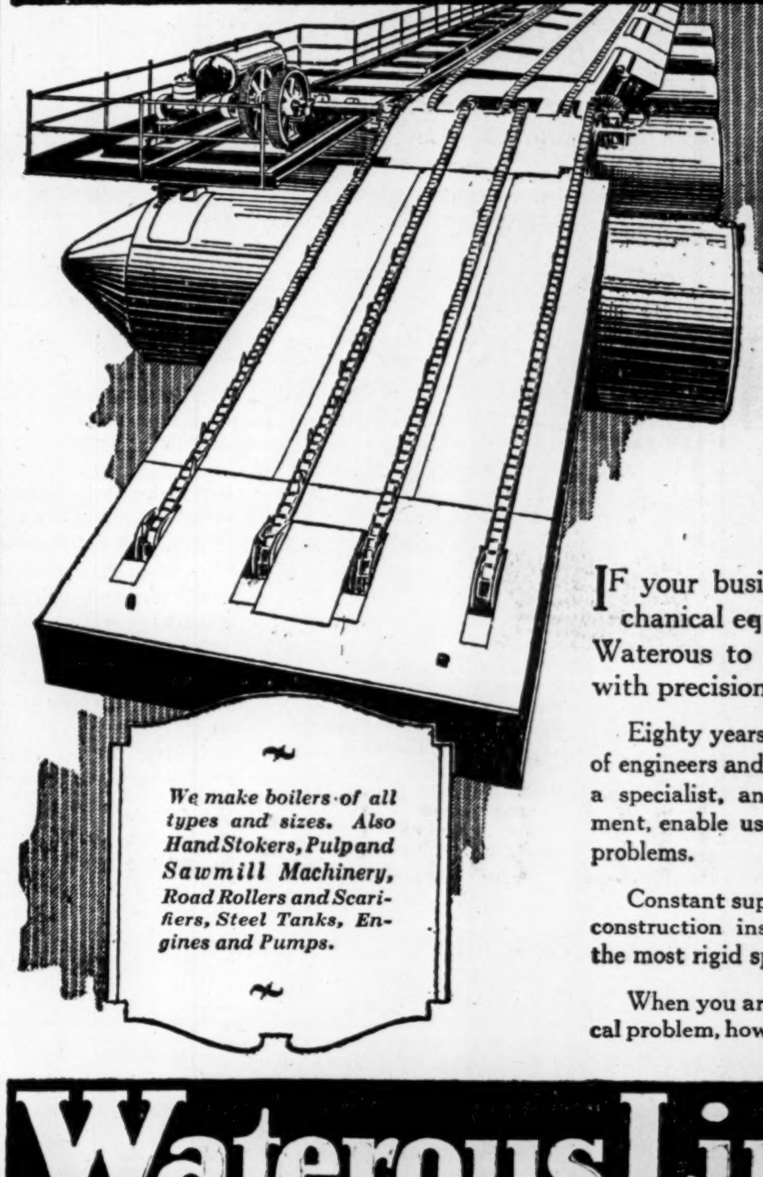
Financial Condition

	1927	1926	1925
Cases (50s)	1,500,000	1,360,000	1,036,666
Net sales	$9,603,972	$8,400,388	$6,309,807
Net profit	2,334,181	1,736,298	1,238,779
Profit per case	1.56	1.28	1.19
Per sh. earned	5.07	3.77	2.69
Cur. assets	3,018,840	2,262,696	1,819,363
Cur. liabs.	890,369	1,108,505	893,016
Ratio cur. assets to cur. liab.	3.4 to 1	2.1 to 1	2.0 to 1
Work. cap.	2,128,471	1,154,191	926,347
Surplus	2,124,329	1,784,825	982,104

Further Large Orders for Bridge Companies?

From Our Own Correspondent

MONTREAL.—A new development which may be regarded as a favorable factor in the outlook for the bridge-building companies is the proposal to link the Island of Montreal by another bridge to the south shore of the St. Lawrence near Lachine. If carried out, such an undertaking would result in further large orders for the bridge-building companies. The project is to be studied by a commission appointed by the Quebec government in accordance with a bill which was presented at Quebec, by Hon. H. Mercier, Minister of Crown Lands.



Does Your Business Require Special Equipment?

Log-sorting raft, 100 feet long. Floats on five pontoons 35' 5" long, 7' diameter. It sorts logs quickly and efficiently, sending them down to their proper mill. This is a typical illustration of Waterous creative ability.

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If your business requires special mechanical equipment, you can rely on Waterous to meet your requirements with precision and accuracy.

Eighty years of experience, a trained staff of engineers and mechanics, each of whom is a specialist, and unrivalled physical equipment, enable us to solve difficult mechanical problems.

Constant supervision during planning and construction insures absolute adherence to the most rigid specifications.

When you are confronted with a mechanical problem, however big or intricate, write us.

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Waterous Limited
BRANTFORD, ONTARIO, CANADA.

Current Events in Banking World

Many Opportunities Exist for Bank Men to Increase Incomes

Bank Managers Say Their Positions Offer Real Chance for Success

Canaian bank men apparently do not agree with the idea being promulgated in a large section of the daily press that they are underpaid. One Ontario bank manager wants it known that Canadian bank men are not a poorly paid and spineless lot.

Two weeks ago The Financial Post published the opening article in a discussion of bank salaries and opportunities. It has brought a flood of letters from bank men. It is proposed to publish these on this page as an expression of the opinion of bank men themselves on this question of their salaries and opportunities.

Write Us Your Opinion

Further expressions of opinion on either side of the question are invited and will be published in the course of the next few weeks. When writing, kindly sign your name to your letter and preferably write on your bank stationery so that the editors will know that your letter is a genuine expression of opinion from a member of a bank staff. But in order that the opinions may be as frank as possible, names will not be published.

From an Ontario bank manager comes this most refreshing letter:

"In response to your request for letters from bank men on the question of bank clerks' salaries, I am writing you as a banker of many years' experience in many parts of the Dominion of Canada, during which time I have met and known intimately hundreds of bank clerks. I think it is only fair to those who employ us to endeavor to correct some false ideas I think may be aroused on this subject. Otherwise the public will have the impression that we are a poorly paid and spineless lot.

"My own bank, and I believe most others, start boys of 16 or 17 years of age on salaries of $500/600 a year which, providing satisfactory service is given, is increased at the rate of $100 per year, and usually a bonus of $50/100 given in addition. I do not think this is a low salary for boys who, for the first few years of their service, may be termed merely "apprentices." If a lad is not satisfied with what he is getting or is not advancing fast enough, the whole world is open to him, and he is not forced to stay in a bank. If he is the type who is deserving of more he will either 'find a way or make it.' I think there is a lot of nonsense talked about a young clerk having to live up to a certain position. He is naturally expected to behave himself and to have a presentable appearance. This does not mean that he must be a society lion. His bank gets no business out of such snobbery, and all the clerk gets is extravagant habits.

"The more difficult period is when a clerk reaches $1,500/2,000 per year. This is the testing time as to whether he is going farther or not. Bank clerks are the same as every other people. There are a few good ones and many average ones. Naturally the good ones stand out for promotion while the average ones form the rank and file of the bank army. Each bank is naturally faced with a big problem in many of these men who are a trifle under average for various reasons—lack of fitness for banking, ability, ambition, character, tact, etc. It may not be the clerk's fault. A good engineer, doctor, farmer, etc., may have been spoiled into a poor banker. But it is not the bank's fault either, and these men cannot be promoted to senior positions without harm to the bank. Consequently these comprise largely the lower salaried clerks, and when they marry they are often unable to leave the bank because of marital ties. They also find it quite a problem to live upon their incomes. But every other concern and occupation is filled with the same type of employee. There are cases of unrecognized ability, but I do not think these are common, and certainly not intentional. There is also an element of good luck inevitable in some clerks getting more opportunities to make good than others just as qualified. But this is also not the fault of the banks.

"Those of ability and fitness for banking, as in any other business, usually come to the top. In the banks there are plenty of attractive positions for the ambitious. I can recall many of my acquaintances who have reached them. What other business in Canada provides as generous pensions as the banks? In the case of my own it amounts to 70 per cent. of the retiring salary at the age of 60/65. Compare the scale of promotion and salary for bank clerks of Canada with that of the United States or the Old Country, and I think it will be found we are the best off in many ways. I think the banks do pretty well by their employees generally. We are paid on a par, if not better, than any other office help I know of for the work we do. Our opportunities are manifold.

Thinks Opportunities Exaggerated

One bank man who thought sufficiently of the banking career to accept a reduced salary when he started in the bank nevertheless thinks that the previous article exaggerated the opportunities, for he says:

"I read with interest the article written by Stewart Paterson on bank employee's salaries. While I am not in a position to know, I certainly don't believe the statement he made. I had a friend who worked himself up in one of the big banks from junior at $25 per month to manager, and then worked in the inspection department. He told me that when he saw the salaries that all the boys were getting, managers included, his heart failed him, and he went to California, where he is now working at the present time. If one in every ten received a salary of $10,000, or better, we would really have something worth while to work for.

"Personally I have no grievance. I resigned a $60 position to take on a bank position at $40. I thought there was a better future in it, and the promotions were satisfactory."

As Good as Other Opportunities

Another bank man thinks that the banking career offers opportunities at least as good as in other lines of business but apparently he does

(Continued on page 15)

Canadian Banks Rank Ninth Among World's Institutions

Canada has one bank among the leading ten banks of the world; three among the first 25 and four among the first 50.

Measured by deposits in dollars, the world's twelve largest banks are as follows:

BANK	HEAD OFFICE	DEPOSITS IN DOLLARS
1. Midland Bank Ltd.	London	$1,821,896,648
2. Lloyds Bank, Ltd.	London	1,738,240,301
3. Barclays Bank Ltd.	London	1,549,364,496
4. Westminster Bank Ltd.	London	1,372,475,733
5. National Provincial Bank Ltd.	London	1,331,460,783
6. National City Bank	New York	1,275,041,964
7. Federal Reserve Bank	New York	995,652,000
8. Chase National Bank	New York	792,339,491
9. Royal Bank of Canada	Montreal	722,636,090
10. Guaranty Trust Company	New York	720,029,171
11. Bank of Montreal	Montreal	709,179,697

Canadian Bank of Commerce, with $464,299,481 of deposits ranks nineteenth, and the Bank of Nova Scotia ranks forty-ninth.

The figures are published by Andrew M. Chatbey, of the California Bank, Los Angeles.

Incidentally, a ranking on the basis of total assets might vary the order somewhat.

Weekly Bank Clearings

(As compared with same week last year)

	Mar. 17, 1927	Mar. 16, 1928
Eastern Cities:		
Halifax	$ 2,758,157	$ 2,933,358
St. John	2,226,238	2,617,304
Moncton	706,648	746,903
Quebec	5,263,452	6,090,644
Sherbrooke	904,245	797,451
Montreal	95,957,703	122,078,876
Ottawa	6,022,536	6,251,843
Kingston	650,385	692,818
Peterboro'	732,418	800,961
Toronto	101,674,603	134,219,851
Hamilton	5,131,245	5,738,209
Brantford	1,031,269	1,181,032
Chatham	779,392	901,787
London	2,904,125	2,675,305
Sarnia	572,484	573,412
Kitchener	1,031,284	1,012,457
Windsor	4,545,552	4,789,338
Western Cities:	Mar. 17, 1927	Mar. 16, 1928
Fort William	$ 864,892	$ 802,341
Winnipeg	49,351,912	45,410,118
Brandon	447,902	490,263
Regina	3,822,722	4,244,647
Moose Jaw	1,151,817	1,048,992
Saskatoon	1,526,127	1,897,059
Prince Albert	363,650	363,650
Lethbridge	458,973	638,453
Calgary	10,552,314	12,185,993
Edmonton	4,351,866	5,547,603
Medicine Hat	253,574	427,222
New Westminster	699,681	722,817
Vancouver	15,868,973	19,415,652
Victoria	2,297,463	2,148,288

Bank Chat

A. M. Smith succeeds A. W. Crawforth as manager of the Tillsonburg branch of the Standard Bank. Mr. Crawforth goes to Brantford.

Citizens of Gananoque gave a testimonial banquet to Lindsey S. Pan for ten years manager of the Bank of Toronto, who has been moved to Sudbury.

O. A. Sharpe, manager of the Standard Bank, Pickering, has been transferred to Brighton. He is succeeded by Wilfred Redditt, formerly of Sombra.

J. B. Sandy, manager of the Bank of Toronto, Dorchester, Ont., and Mrs. Sandy, are leaving for Europe next week on a vacation, sailing from New York on the S.S. Majestic.

Oliver Geiger, for a number of years sub-agent of the Kitchener branch of the Bank of Montreal at Bridgeport and Breslau, has been appointed manager of the branch of that bank at Tara, Ontario. Mr. Geiger was formerly accountant at the Waterloo branch of the Molsons Bank, now the Bank of Montreal.

John McArthur, has been appointed manager of the Stettler, Alta., branch of the Bank of Montreal. He was at one time accountant at that branch. Since then he has been manager of the Morrin, Leduc and Alliance branches respectively. He comes to Stettler, however, from Calgary, where for some time past he has been attached to the superintendent's office.

The Imperial Bank of Canada announces the following staff changes:

J. H. Clark, formerly accountant, Port Arthur, Ontario, has been appointed accountant, Brandon, Manitoba.

J. Vereker, formerly accountant, Brandon, Manitoba, has been appointed accountant, Moose Jaw, Saskatchewan.

G. B. Turner attached to the Western relief staff, has been appointed assistant accountant, Vancouver, British Columbia.

D. C. Howell, for some time past acting manager at Fort Qu'Appelle, Saskatchewan, has now received the appointment as manager.

The first installation in New York of a new device designed to protect the lives of any employees who may accidentally be locked in their vaults is being made by Bankers Trust Co., 16 Wall Street. One unit will sustain life even in an airtight vault for about 220 man-hours, ample time to permit rescue. This new invention consists essentially of a cylinder of compressed oxygen equipped with a regulator that is easily adjustable by hand to supply ogygen at the rate required by the number of persons in the vault.

Oscar Dufresne has been appointed to the board of directors of the Provincial Bank of Canada, succeeding the late Emilien Daoust. Mr. Dufresne is president of Dufresne & Locke Company, shoe manufacturers; president of the Dufresne Construction Company; director of Notre Dame Hospital, Algonquin Power Company, and the Slater Shoe Company.

The Bank of Montreal has purchased the northwest corner of Yonge and Grosvenor streets, Toronto, from the liquidators of the Home Bank. It is the intention to remove the Carlton street branch at 488 Yonge street, to the new property.

Already work of remodeling the two store buildings into one is being carried out and when completed, the bank will occupy the ground floor space of both, the wall between them being removed. A new front is also being constructed.

The property has 36 feet frontage on Yonge, by 120 feet on Grosvenor. Occupancy will take place around May 1st.

C. L. MacGregor, of Brandon, has been appointed manager of the Flaxcombe, Saskatchewan, branch of the Bank of Montreal, to succeed F. J. Fraser, who has been appointed to the management of the Eastend branch. Mr. MacGregor has had wide experience in banking in the Prairie Provinces, originally, with the former Merchants Bank of Canada, and latterly, with the Bank of Montreal, with which that institution was merged. He has had charge of branches at Hartney and Oakville in Manitoba, and has held the position of accountant in branches at Portage la Prairie and Moose Jaw. During the last few years he has been attached to the Winnipeg and Brandon offices.

A solid gold cup from the board of directors, a portrait in oils and an illuminated address in a silver casket from 2,300 senior members of the staff were presented to Sir Frederick Williams-Taylor, General Manager of the Bank of Montreal, who celebrated on March 17 the 50th anniversary of his entry into the bank's service.

Sir Vincent Meredith presented the cup, which is a replica of a masterpiece worked in 1723 by Paul Lamerie, famous London goldsmith. Sir Vincent, too, unveiled the portrait of Sir Frederick, painted by Alphonse Jongers. Clement Cronyn, secretary of the bank, read the address.

Sir Frederick, a native of Moncton, N.B., entered the service of the Bank on March 17, 1878. Twenty years later he was made assistant inspector attached to the head office, visiting all branches. In 1903, he was sent to Chicago as joint manager of the branch there, and three years later his record won him transfer to London as head of the bank's office in that city. From his work there resulted the investment of millions of British capital in Canada, and in 1913 his services to the Empire were recognized with knighthood. The same year he came to Montreal as general manager of the bank.

After having spent nearly forty years in banking, A. W. Haun, manager of the Canadian Bank of Commerce, Dunnville, is retiring from active service on April 1, when he will be succeeded by G. L. Waugh.

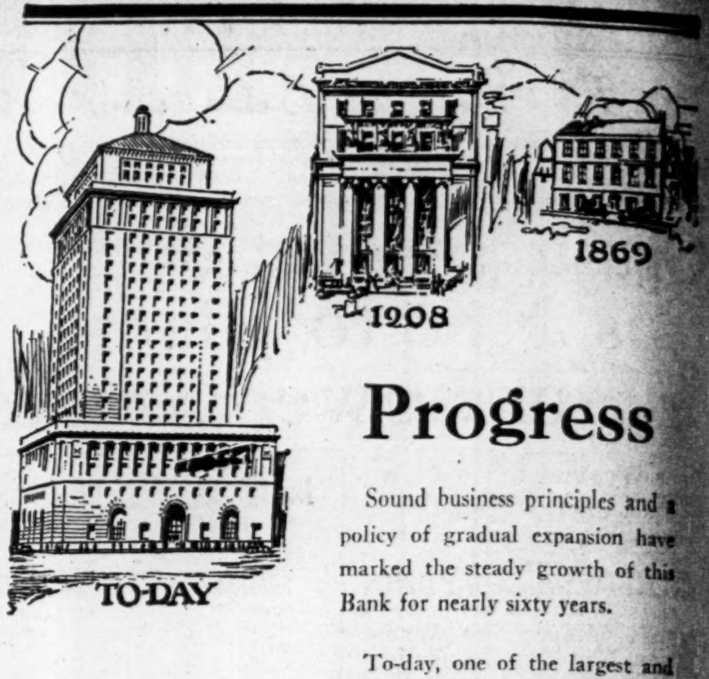
Mr. Haun entered the service of the Bank of Hamilton in 1888, and was assigned to duty at Tottenham, Ont. He served in various capacities in different places until April, 1892, when he was moved to the main branch in Toronto, where he remained for nearly eleven years. He had a good experience in that office and worked his way to the accountanship, which position he held for some time, when he went to Dunnville to take charge of the new branch of the Bank of Hamilton, which was opened in November, 1902. Mr. Haun remained in the Bank of Hamilton until the amalgamation with the Canadian Bank of Commerce some four years ago, when he continued in the same position with the latter bank.

G. L. Waugh, who continues as manager, entered the banking business at Walkerton in Dec., 1900, with moves later to Chatham, Winnipeg, Kitchener, Brantford and Toronto. His first appointment as manager was at Exeter in April, 1912. In 1914 he opened branches of the Bank at Grimsby and Beamsville. From 1920 to 1924 he was manager at Truro, Nova Scotia, and in September, 1924, moved to Dunnville as joint manager with Mr. Haun, when the two Dunnville offices were amalgamated.

Geoffrion Admits Partner

MONTREAL.—L. E. Potvin, C.A., L.I.A., has been admitted to partnership in the firm of Geoffrion & Co., Members of the Montreal Stock Exchange and of the Montreal Curb Market, taking effect from April 1.

Mr. Potvin was connected for some time with the Provincial Bank. Until his admission to the firm of Geoffrion & Co., he had been associated for many years with Turcotte, Merrill & Potvin, Chartered Accountants. He is a member of the Federal Board of Audit and a past president of the Institute of Chartered Accountants of the Province of Quebec.



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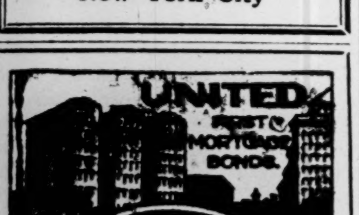

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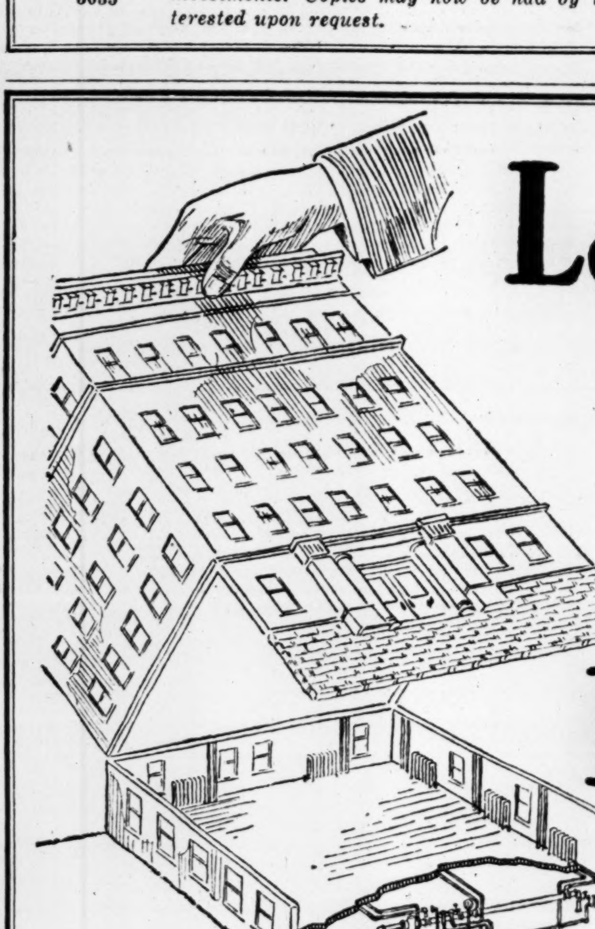

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CANADIAN INDUSTRIES LIMITED
AND SUBSIDIARY COMPANIES

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Events in Banking

No Discrimination Shown by Banks Against Anyone

From Our Own Correspondent

OTTAWA.—The same old ground that has been covered in one inquiry after another is being covered in the present investigations being made by the banking and commerce committee of the House of Commons. The committee is studying possible improvements in the banking system. Nothing has been brought out in the two sittings to date that suggests the need for improvement.

Albert E. Phipps, general manager of the Imperial Bank of Canada and this year's president of the Canadian Bankers' Association, presented, in the form of a memorandum, the opinion of the Canadian banking men as to our present banking system. He felt that "the Canadian banking system is meeting the banking needs of the country adequately and well." Mr. Phipps statement was as follows:

In the beginning of organized banking in Canada over one hundred years ago, three features which have persisted up to the present characterized the system:

(1) The establishment of branches;
(2) Note issues against the bank's assets;
(3) No lending on mortgage of real estate.

All three were essential, if the growing country was to have adequate and continued banking services. The centres of population must supply banking capital for the outposts—hence branches; banks must have till money free of cost, if banking facilities were to be afforded in newly established communities—hence the note issue privilege; and there must be no lending on real estate because land speculation was rife and liquidating was essential and the antecedent experience in the United States of lending against land had brought financial disaster and would soon have had a like result in Canada.

Other features have followed. Special forms of security, to facilitate the marketing of timber in the early days and of wheat, wood products and manufactures in these latter days, have been devised so that the system is an evolution expanding or changing from time to time to meet the actual conditions in the development of the country.

The whole system has been exhaustively examined by Parliament within the past five years and nothing has arisen since the last amendments were made which would seem to call for structural changes. In fact the system, it is submitted, is meeting the banking needs of the country adequately.

Bank Note Issue Privilege

The bank note issue privilege has been mentioned. In some respects this has been from the standpoint of the national interest a very important feature of our present system and if abolished, certain results would inevitably follow. By way of preliminary it should be said that the government notes, backed substantially by gold, are the main currency of the country—the backbone of our currency system. All adjustments of the trade and business of the country that go through the banks are settled in the government's currency. *If one bank, in the operation of the clearing house system, where virtually all* commercial transactions in the country are adjusted, owes another bank, and included in this obligation will be its own notes held by the creditor bank, the settlement is made in Dominion notes. Dominion notes in turn represent gold because they are convertible into gold. Thus it is a mistake to suppose that the currency of the banks, important in some respects as it is, is the controlling feature of our currency system. The government's issue is the real and only legal tender in the form of note currency of this country.

But there is a function of great importance to this country which the bank note issues perform. The banks have their own notes in the tills of every branch. They are not a liability there; it costs nothing in the way of interest charge to carry them. Depositors desiring cash are given the bank's own notes, and they also are the basis for moderate loans, though soon after the loan is made or the depositor makes a purchase with the notes he has received they have to be redeemed in Dominion notes in the clearing settlements. In many communities in this country, if the banks had to carry in their branches till money in Dominion notes or the notes of any central institution, for which the banks would have to pay cash, then these communities would of necessity not have banking facilities, for the business would be conducted at a loss. In other words, the local community could not support a branch bank if the interest on the unused cash in the bank's possession had to be paid out of the profits there received. It would therefore have a revolutionary effect in Canadian banking to take away the note issue privilege against paid-up capital, because many communities now receiving banking facilities would be deprived of these facilities and new communities which are constantly growing up, particularly in the Prairie Provinces, would for many years be without the banking facilities which they would otherwise have under the present system of note issue.

Finally, Canadian bank notes to-day have the hallmark of a genuine currency. The value of the bank note is unquestioned and with the protective features now in The Bank Act, it is inconceivable that any holder of it would ever sustain a loss.

Central Bank Proposal

The establishment of a central bank of rediscount, under the control of the government, has been suggested. Anyone familiar with the development of our present system knows that there is to-day in Canada in effect a central bank of rediscount, with scarcely a dollar of additional cost and without any of the elaborate machinery which characterizes such institutions in other countries. Under the Finance Act the banks with the greatest ease can now obtain from the Treasury Board Dominion notes against securities, to furnish currency for the movement of the crops, and other natural products, or finished manufactures from the point of production to the consumer.

The banks have to pay interest to the government on these adavnces. In consequence, the banks repay the government the currency as fast as possible; just so soon as the particular operation for which the Dominion notes were borrowed is complete, the bank returns the notes to the government. Thus the tendency to inflation is controlled, and the history of the operation of The Finance Act both before and since the Act was made a permanent part of the financial structure of the country in 1923 shows that its operations have been kept within moderate and legitimate bounds. Even before The Finance Act, our system, as distinguished from the banking system of the United States before the Federal Reserve Act, provided a flexible currency—that is to say the bank note issue could be enlarged within reasonable limits to meet seasonal requirements and when these were taken care of the issue would automatically contract, but with the added Finance Act, now a permanent part of our monetary system, nothing in the way of legitimate trade or expansion can ever be hampered by a lack of currency.

Commonwealth Bank of Australia

Citation has been made of a central banking institution, the Commonwealth Bank of Australia, and emphasis has been laid on the direct advantage it is to the State in the profits it turns over to the Treasury.

The Commonwealth Bank of Australia was established about the year 112, legislation therefor being passed in the year 1911.

It is scarcely possible to make a banking comparison between Australia and Canada, owing to the great difference in conditions. The Commonwealth Bank, while authorized to carry on a general banking business, it should be said at the outset, does this to a limited extent only. The last published available statement of the Commonwealth Bank dated 30th June, 1927, shows total assets of £139,000,000 and of this great total approximately £79,000,000 were in government and other fixed securities. The total amount of real banking business among its assets was £19,500,000 in the form of bills receivable, bills discounted, loans and advances, and other sums due to the bank. From this it will be apparent that the Commonwealth Bank is not a commercial institution but has been used chiefly as a means for supplying loans to the government of the Commonwealth and various other governmental agencies.

Reference has been made to the profit to the State which the Commonwealth Bank brings. For the year ended 30th June, 1927, the profits from the banking business, apart from the note issue profit, have been declared at £580,000, the bulk of which was made through the taking in of deposits at a low rate of interest and investing in securities at a higher. One-half of these profits went to the Reserve Fund of the bank and the other half was contributed to the national sinking fund.

During the like period the sum of £1,136,000 was derived from the Note Issue Department, the Note Issue Department and the general business of the bank being kept entirely separate. Of this sum £852,000, or something over $4,000,000, went to the Commonwealth Treasury. These profits of the Note Issue Department were wholly derived from the annual dividends accruing from £25,000,000 of debentures and other secuirties which are held in that department against the issues of the Commonwealth Bank's notes.

It will probably be a matter of surprise to many to know that Canada derived from its note issue and from the tax on circulation of bank note issues an advantage greater than $4,000,000 during the past year. The government of this country has in fact received $63,500,000 for its note issues, which sum has not been invested in securities as in Australia, but has been used to meet current obligations of the Government from time to time. The government in this way avoided the borrowing and payment of interest on this sum. Of this $63,500,000, $41,-000,000 was received by the government from the banks in exchange for its notes during the early part of the war period. The first of these free issues dates from Confederation as at the Union $2,400,000 or thereabouts of uncovered issues, the liability therefor being assumed by the Dominion, were outstanding. If the government of Canada had taken the credits created in its favor in the banks in exchange for these issues and invested in securities as in the Australian case, it would be receiving for Consolidated Fund Account, the borrowing rate at the time these emissions were made being considered, at least $3,000,000 per year in interest. As it is, the government of Canada has had the use, free of interest, of this sum. Its currency issues are nevertheless just as good as the Australian for its promise to pay is as good a security as the debentures which the Commonwealth Bank's Note Issue Department holds against its issues.

In addition to the $3,000,000 referred to, there is approximately $1,200,000 which the government of Canada annually gets in the 1 per cent. tax upon bank notes in circulation against capital, and the income derived from the issue of government notes to the banks under the Finance Act, as well as the tax on excess circulation of the banks. It is submitted that the government of Canada has directly and indirectly derived and is deriving from the note currency of the country advantages out of its own currency and the circulation privilege of the banks that compare favorably with those derived in recent years by the Commonwealth of Australia from its control of currency issues. In this connection it should be noted that the Commonwealth Bank is paid by the government of Australia for many services such as are rendered by the banks of Canada to the government of this country free of charge.

Control of Credit

Emphasis has been laid upon the supposed control of credit by bankers. In a limited sense, bankers control credit. That is to say, the banker can and does grant or withhold credit according as the enterprise seeking credit in his opinion will be successful from the standpoint of the borrower or the reverse. The banker is primarily and mainly concerned about the safety of his advances and the certainty that the advances will be returned within a reasonable time with adequate interest. He is not thinking about the volume of credit in the country nor the effect which the granting or withholding of credit in the particular instance will have upon the price level of commodities in the country. The banker, too, when he judges that speculation in any of its varying forms is getting beyond the safety line, limits credit in that direction, not because he wishes to discriminate against any class but because he believes the bank's advances are imperilled.

It is proposed that the State should through some such agency as a central bank, control credit, and thus frustrate the designs of evil-minded capitalists with banking control in their hands against weaker industries or commercial interests. I am convinced that there is a great fallacy in the assumption that there ever has been in Canada any improper control of banking credit for such purposes. Intimacy for a good many years with banking operations in this country has never brought to my attention the slightest suspicion that any capitalists or group of capitalists have in fact prevented or attempted to prevent legitimate enterprise from receiving a fair measure of banking credit. If such were the fact anywhere in Canadian banking operations every general manager in the country would be aware of it.

Why suggest legislation, therefore, for supposed evils which are really non-existent?

With regard to the control of banking credit and incidentally prices of commodities, a very eminent banker and stateman in the United States, Mr. Secretary Mellon, recently said:

"Neither the Federal Reserve System nor any other system can control prices; while credit is one factor in influencing prices, it is neither the only factor nor the controlling one."

For these reasons I repeat that the Canadian banking system is meeting the banking needs of the country adequately and well.

Mr. Phipps, in his memorandum deprecated the suggestion of the Canadian Council of Agriculture that small banks with a capital of $50,000 should be permitted. He gave a record of bank failures in the United States agricultural areas to show how dangerous such a system is and quoted American authorities as favoring the Canadian system.

He also warned against the proposal for the government banks to loan directly to such institutions as the wheat pool. He felt that the people of the country were not willing to have the currency of the country involved in the hazards of commercial banking.

Mr. Phipps, in later evidence, expressed the opinion that a Federal Reserve Bank of rediscount, something after the fashion of that in the United States, would not have a tendency to stabilize or strengthen the smaller banks in Canada to-day. A Federal Reserve Bank would not have prevented the Home Bank failure. The banks already have all the rediscounting support they require under the finance act.

The banks did not make too extensive use of the finance act because the rate of interest to the Dominion government—varying from 5 per cent. to 3¾ per cent. and now at the latter figure—was higher than the cost of funds obtained in other ways. This prevented inflation by limiting the amount of credits.

Leon A. Ladner, a British Columbia member of the committee filed an outline of a proposed Federal Reserve Bank of Canada. It was as follows:

The Federal Reserve Bank of Canada should exercise the following functions:

(a) To act as a bank of re-discount dealing only with banks

(b) To have the right of open market operations in much the same way as is now done by the Federal Reserve Bank of the United States and for the same purposes;

(c) To act as a credit agent for banks in international banking in order to facilitate trade and commerce between Canada and other parts of the world, on much the same principle as the Bank of England;

(d) To function as the government now does with respect to all Dominion Note Issues reserving however, power of the Finance Department to check over and make certain of the proper securities being held for such issue. In addition to the gold security to the Federal Reserve Notes, these notes also to be backed as they are now by the Dominion Government, thus giving complete stability as far as note issue is concerned;

(e) To act as the bankers of fiscal agents of the government. In this way the government has the power and united strength of all the banking institutions of the country in times of crisis and the banks have a far better opportunity as members of the Federal Reserve Bank in sharing in business of the government. It does not seem fair that one bank should monopolize the business of the government and to a large extent, as a private institution dominate the financial structure of Canada;

(f) To have no greater net profits than sufficient to pay operating expenses and six per cent. on the capital investment. If there are any other profits these are to go to the government for the benefit of the people of Canada and also within reason to restrain banks, through its branches, in remote portions of the country from charging unreasonably high rates of interest. Such restraint could be practised by the Federal Reserve Bank loaning money (under its open market privileges) direct to the people at a low rate of interest;

(g) To act as a disciplinary body for banks which might be disposed to engage in questionable undertakings on a large scale or depart from the usual banking practices so as to endanger the deposits of the general public and the shareholders of the bank. The Federal Board to have the necessary powers through committee to investigate the member banks, their business operations, their assets and liabilities, with a view of protecting the public;

(h) To exercise, through its boards of directors, inspection in a general way for unusual financial operations of the member and other banks;

(i) To carry out the duties, generally speaking, such as are now performed by the Treasury Board and the trustees of the gold reserve and the Department of Finance with respect to note issue, pledge of securities and banking operations under the Finance Act of 1914 and all other banking functions operated by the Department of Finance, with the exception of such supervision and control by the Government for the Federal Reserve Bank as circumstances may warrant to protect the public interest in connection with those matters.

In questioning Mr. Phipps, Mr. Ladner pointed out that the Federal Reserve Bank of the United States was in a position to curb unsound inflation. But Mr. Phipps assured him that the banks of Canada could, and did, effectively keep inflation in check.

J. S. Wordsworth, of Winnipeg, tried to find out if there was discrimination in making loans, as between one part of Canada and another and as between one business and another. Mr. Phipps said "No legitimate loan properly secured has been refused, from one end of Canada to another, since I have been a banker." If a business man felt that he was being discriminated against he had only to walk across the street to another bank. Mr. Phipps said that the present banks would not lift a finger to approve anyone who wanted to establish a new bank.

MANY OPPORTUNITIES EXIST FOR BANK MEN TO INCREASE INCOMES

(Continued from page 14)

not think they are any better. He says:

"The young man entering the bank usually does so at the age of seventeen or eighteen, after having spent from one to three years in High School. He has no particular business training to fit him for his work, and must begin to learn from the bottom of the ladder. He is not in a position to give any more than a messenger's service for the first few months. For this service he will receive from $400 to $600 per annum according to the living conditions in the town or city in which he enters the bank, and at the end of six months he will, if he has shown that he is making good progress receive a further increase. At the end of another six months, having made good and having applied himself he will receive another increase in salary, and at the end of every year thereafter he will receive additions to his salary. All this time he is receiving a training which will fit him to eventually earn a salary of from $2,400 to $12,000, according to his talents.

"Take, on the other hand, the young man who enters a profession. He must spend four years in high school and from four to seven years in college, according to the profession he may choose. During all these years he is spending money on his training, where the young bank clerk is receiving his training and a salary besides. After the college student has graduated he must come out and start practice in his profession, which in most cases calls for a further expenditure of money. After this he must proceed to build up a practice and to do this he must convince the public that he is capable of applying what he has learned during the past eight or ten years. He must after all these years of study begin, without any guarantee of salary, to make a living and to reimburse either himself or his parents for the money which has been laid out in his education. Should he start in a smaller town, village, or country practice, he will only earn at best a very small income for a good many years, and if he starts in a city or succeeds to an established practice, it will be at the expense of more capital outlay on his part or on the part of his parents.

'Take the bank clerk over the same period of years. For example, the average bank clerks spends two years in high school. When he enters the bank he beings to earn money as well as to receive an education in his chosen profession. This salary keeps on increasing as he learns, and at the end of eight or ten years, when the college man is only beginning to earn money or has at least commenced practice and is trying to get established, the bank clerk has an income of at least $1,400 per annum, and also an interest in a pension fund towards the time when his earning power shall cease. The bank clerk has had an assured income during all these eight or ten years of training, while the college student has had to lay out money all these years for his training for his life work. At the end of eight or ten years the bank clerk has established a reputation for himself in his chosen profession as well as having a good income, while the college man has to go out at the end of the eight or ten year period of training and establish his reputation and acquire an income for himself.

"During the eight or ten years in which the bank clerk has been receiving his training he will have earned at least $7,000 and also participated in the yearly bonuses paid to the staffs of the banks. He will also at the end of this time have an assured income, while the college man will have spent at least $6,000 and be without an assured income at the end of his college training.

New Issue:—

$700,000.00

INTER-PROVINCIAL POWER COMPANY

Issue: Feb. 1st, 1928. First Mortgage Bond Maturity: Feb. 1st, 1943.

6% — 15 Years

Interest payable semi-annually February 1st and August 1st. Capital and interest payable at the head office of the Banque Canadienne Nationale, Montreal or at any branch in the Province of Quebec. Redeemable at the option of the Company in whole or in part on each interest date on thirty days' notice, at 102 and accrued interest.

TRUSTEE: La Societe Nationale de Fiducie, Montreal

CAPITAL

	Authorized	Issued
First Mortgage Bonds 6% (this issue)	$700,000	$700,000
Common Stock $499,900 (4,999 shares)	499,900	

THE COMPANY AND ITS PROPERTIES: Incorporated according to the Law of the Province of Quebec, the INTER-PROVINCIAL POWER COMPANY has been formed to develop hydraulic power on Riviere Rouge in the Village of Brebeuf, in the North of Terrebonne County, Quebec. It is estimated that with a dam 30 feet high the company can develop a minimum of 2,000 h.p. and will be in a position to furnish to the mines 6,000 h.p. during four months of the year. The Company will start work right away so that power can be delivered on or about the first of August, 1928. The Company has obtained exclusive franchises to furnish the electric current, in the Municipalities of Labelle, La Conception, Brebeuf, St-Remi, d'Amherst, Namur and Notre-Dame de la Paix and will furnish the electric current to the nickel and garnet mines at Labelle, to the china clay and graphite mines at St-Remi, d'Amherst and to saw and flour mills situated in the limits of these municipalities. So all the power they will produce will be completely used.

GUARANTEE: These bonds are guaranteed by a first mortgage on all the properties, franchises, etc., actually held or to be acquired by the company, including the proposed dam and all the ground required for the projected plan. The proceeds of the sale of this issue will be deposited with the Trust Company and no money will be expended except on the construction engineer's certificate and for other necessary expenses.

EARNINGS: When the work is completed we estimate that the net earnings of the company will be approximately $140,000 yearly; which means three times the amount required to pay the interest on the bonds.

Price 100 and accrued interest to yield 6% with a bonus of 20% in common stock.

La Corporation de Placements d'Utilités Publiques
Limitée
Room 226, 190 St. James Street, Montreal

The above statements are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.

To La Corporation de Placements d'Utilités Publiques Limitée
Room 226, 190 St. James St., Montreal.
Please send me full particulars concerning Inter-Provincial Power Co., without obligation, of course.

Name ....

Address ....

Eleventh Annual Report

Brompton Pulp & Paper Company Limited

DIRECTORS

E. W. TOBIN, M.P., President.
J. N. GREENSHIELDS, K.C.
DR. MILTON HERSEY.
J. E. McCREA.
H. W. BEAUCLERK, Vice-President.
W. N. MUNROE.
C. C. WILSON.
H. E. MUNROE.
J. A. BOTHWELL, General Manager.
C. G. GREENSHIELDS, K.C.
R. W. STEELE.
F. W. McCREA.

ROBERT E. MEAGHER, Secretary. J. E. PALMER, Treasurer.

Brompton Pulp and Paper Company, Limited, and Claremont Paper Company, Incorporated.

CONSOLIDATED PROFIT AND LOSS ACCOUNT

For Year Ended 31st December, 1927

Profits before providing for interest on Bonds, Income Taxes and Depreciation:—		
Brompton Pulp & Paper Co., Limited	$ 1,427,661.18	
Claremont Paper Company, Incorporated	117,469.49	
		$ 1,545,130.67
Deduct: Reserves for Depreciation and Income Taxes	571,698.70	
Interest on Bonds	292,351.75	864,050.45
		$ 681,080.22
Deduct:—		
Dividends: Preferred Stock Brompton Pulp & Paper Co., Limited	155,200.00	
Common Stock Brompton Pulp & Paper Co., Limited	280,000.00	
Preferred Stock Claremont Paper Company, Incorporated	1,750.00	436,950.00
Net Surplus for the Year		$ 244,130.22
Net Surplus for the Year applicable to:—		
Brompton Pulp & Paper Co., Limited	$ 191,599.33	
Claremont Paper Company, Incorporated	52,530.89	
		$ 244,130.22

BROMPTON PULP & PAPER COMPANY LIMITED

Balance Sheet as at 31st December, 1927

ASSETS

Current Assets:—				
Cash on hand and in Banks			$ 37,731.94	
Accounts Receivable		$969,163.98		
Less—Reserve for Bad and Doubtful Debts		67,243.42	901,920.56	
Inventory of Logs, Lumber, Pulp, Paper and Supplies; and advances on account of Wood Operations			2,983,912.74	
Deferred Charges			47,761.29	$ 3,971,326.53
Stores, Equipment and Materials for Repairs and Replacements				273,233.18
Investments:—				
Claremont Paper Company, Incorporated—Entire Capital Stock par value $1,000,000.00			740,748.69	
Miscellaneous			107,316.18	
Mortgages			22,249.46	870,314.33
Capital Assets:—				
Freehold and Leasehold Timberlands and Water Powers			5,459,879.92	
Real Estate, Buildings, Machinery and Equipment			9,042,702.08	14,502,582.00
				$19,617,456.04

LIABILITIES

Current Liabilities:—				
Bank Loans			$ 615,000.00	
Accounts Payable			516,186.10	
Bills Payable			261,284.82	
Accrued Charges, including Bond Interest, Payrolls, Dividend declared on Common Stock and Income Tax			301,594.88	$ 1,694,065.80
Capital Liabilities:—				
Six Per Cent. First Mortgage Sinking Fund Bonds, Maturing 1935:—				
Authorized and Issued			2,000,000.00	
Less—Redeemed			1,328,000.00	672,000.00
Six Per Cent. First and Refunding Mortgage, Sinking Fund Bonds, Maturing 1946:—				
Authorized			$10,000,000.00	
Less—In Treasury		$ 5,817,000.00		
Redeemed		114,000.00	5,931,000.00	4,069,000.00
Capital Stock:—				
Preferred Stock—8% Cumulative:—				
Authorized 20,000 Shares, par value $100.00 each		$ 2,000,000.00		
Less—1,200 Shares Retired and Cancelled in 1927		120,000.00	1,880,000.00	
Common Stock:—				
Authorized 210,000 Shares without nominal or par value.				
Issued, 140,000 Shares fully paid-up			7,000,000.00	8,880,000.00
Reserve for Depreciation				2,606,969.91
Surplus Account:—				
Balance after making adjustments on account of Investments sold, and after writing off Bond Discount, and items applicable to previous periods			1,503,821.00	
Add—Profit for the year 1927		1,427,661.18		
Less—Bond Interest	$292,351.75			
Depreciation and Income Tax	508,510.10			
Dividends on Preferred Stock	155,200.00			
Dividends on Common Stock	280,000.00	1,236,061.85	191,599.33	1,695,420.33
Contingent Liabilities in Respect of:—				
1. Bills receivable discounted				
(a) Sundry Bills			$ 182,634.25	
(b) Those received on account of the sale of the Capital Stock of, and claims against the Groveton Paper Company, Incorporated			350,000.00	
2. Guarantee of the Principal and Interest of the First Mortgage Bonds and the Bank Loan of McCrea-Wilson Lumber Company, Limited			$ 1,137,000.00	
3. Guarantee of a Mortgage given by the McCrea-Wilson Lumber Company, Limited			$ 210,500.00	
				$19,617,456.04

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the books and accounts of the Brompton Pulp and Paper Company, Limited, for the year ended 31st December, 1927, and we have obtained all the information and explanations which we have required.

We certify that, in our opinion, the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as at 31st December, 1927, according to the best of our information and the explanations given to us, and as shown by the books of the Company.

(Signed) McDONALD, CURRIE & CO.,
Chartered Accountants.

Montreal, 23rd February, 1928.

Approved on behalf of the Board,

H. W. BEAUCLERK, Director. J. A. BOTHWELL, Director.

CLAREMONT PAPER COMPANY INCORPORATED

Balance Sheet as at 31st December, 1927

ASSETS

Current Assets:—			
Cash on hand	$ 295.75		
Cash in Banks	44,102.23	$ 44,397.98	
Accounts Receivable:—			
Trade Accounts	$ 165,548.52		
Advances to Agencies	1,943.73		
Sundry	480.36	167,972.61	
Inventories		136,138.36	
Deferred Charges		4,608.10	$ 353,117.05
Investment:—			
310 Shares Claremont Railway Co.—at Cost			31,150.00
Fixed Assets:—			
Plant and Machinery		$ 771,099.12	
Buildings and Dam		629,179.13	
Land and Water Power under Lease		198,000.00	
Motor Truck Equipment		7,895.61	
		1,606,173.86	
LESS:—Reserve for Depreciation		544,300.16	
		1,061,873.70	
Real Estate and Water Power		125,000.00	1,186,873.70
			$1,571,140.75

LIABILITIES

Current Liabilities:—			
Brompton Pulp and Paper Company, Limited			$ 136,499.03
Trade Accounts			17,539.86
Provision for Income Tax, Accrued Payroll, Taxes and Insurance			25,504.36
Provision for Cash Discount			3,213.37
			$ 182,756.62
Capital:—			
Preferred Stock:—			
Outstanding 1st January, 1927		$250,000.00	
Redeemed at par 5th February, 1927		250,000.00	
Common Stock:—			
Authorized and Issued, 10,000 Shares (All owned by Brompton Pulp & Paper Company, Limited)			1,000,000.00
Surplus:—			
Balance at Credit 1st January, 1927		346,902.89	
Add: Profit for the Year, Claremont Mill	$ 117,304.01		
Profit for the Year, Bellows Falls Mills	165.48	117,469.49	
		$ 464,372.38	
Deduct:—			
Reserve for Depreciation	$ 54,769.46		
Income Tax, 1920-23	11,049.65		
Income Tax, 1927	8,419.14	74,238.25	
		$ 390,134.13	
Deduct:—Preferred Dividend		1,750.00	388,384.13
			$ 1,571,140.75

Approved— { H. W. BEAUCLERK, J. A. BOTHWELL, Directors.

To the Shareholders:—

We have examined the books and accounts of the Claremont Paper Company, Incorporated, for the year ended 31st December, 1927, and we have obtained all the information and explanations required by us.

We hereby certify that, in our opinion, the above Balance Sheet is properly drawn up so as to give a true and correct view of the state of the Company's affairs as at 31st December, 1927, according to the best of our information and the explanations given to us, and as shown by the books of the Company at that date.

(Signed) McDONALD, CURRIE & CO.,
Chartered Accountants.

Montreal, 23rd February, 1928.

REPORT OF THE DIRECTORS TO THE SHAREHOLDERS

Montreal, February 7th, 1928.

Your Directors submit herewith the Balance Sheets of the Brompton Pulp and Paper Company, Limited, and Claremont Paper Company, Inc. Also Consolidated Profit and Loss Account of the two companies as at the 31st December, 1927.

The Sale of your Subsidiary, the Groveton Paper Company, Inc., of which you have already been advised, has changed the accounting system so that it is possible to give you a clearer picture of your Company by submitting Balance Sheets of the Brompton Pulp and Paper Company, Limited, and the Claremont Paper Company, Inc., separately, rather than in consolidated form, as heretofore.

The earnings for the year were $1,545,130.67, as compared with $1,240,954.90 for the previous year, being an increase of $304,175.77.

After full allowance for Interest, Taxes, Depreciation, Preferred and Common Dividends, aggregating $1,301,000.45, the sum of $244,130.22 is added to the credit of Profit and Loss Account.

The satisfactory improvement in earnings made it possible to set aside for depreciation a sum greatly in excess of the amount provided in previous years, and still carry a substantial balance to Surplus Account.

During the year Brompton Pulp and Paper Company, Limited, retired 1,200 shares of its Preferred Stock.

The Claremont Company also retired its entire outstanding Preferred Stock, amounting to $250,000.00.

Your Board of Directors wish to express their sincere appreciation of the manner in which the staff and the entire organization have performed their duties.

Submitted on behalf of the Directors.

E. W. TOBIN, President.

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CANADIAN STOCK AND BOND QUOTATIONS

Stock Market Record

WEEK ENDING MARCH 20

	Div. Rate	Yield Mar. 19	High for wk.	Low for wk.	Close Mar. 20	Close Mar. 13	Sales for wk.	Range, 1928 High	Range, 1928 Low
Banks—									
Commerce	12+1	4.60	285	280	281	281	282	290	277
Dominion	12+1	4.88	266	263	266	263	67	270	261
Can. Nationale	10	5.12	197	186	197	185	136	197	185
Imperial	12+1	5.22	249	246	249	246¾	194	250	245
Montreal	12+2	3.99	351	345	350	345	643	351	334
Nova Scotia	16	4.16	386	382	384	385	168	390	375
Royal	12+2	3.97	357½	353	355	350	672	359½	330
Standard	12	4.93	243½	241½	243	241¾	152	265	236
Toronto	12+1	4.36	298	294	298	294	99	306	280
Paper—									
Abitibi, com. (n.p.)	$4	5.03	80½	75	78¾	75	18048	83	71½
Do. pref.	7	5.64	124	124	124	130	20	130	124
Do. pref. (new)	.	...	97½	97	97	97⅞	970	98	97
Belgo Can., pref.	7	6.45	108½	107	107	106½	160	110	106
Brompton (no par)	$2	3.47	59	55½	56½	58⅝	4895	71	51
Can. Pr. & Paper	.	...	39¾	38	38½	39	5953	41	35
Fraser, com.	1	1.53	65	63⅛	64	62¾	942	66	52
Int. Pap., c. (n.p.)	$2.40	3.28	75½	71¼	74	72⅜	39600	78½	67⅛
Do. pref.	7	6.55	107	105⅝	107	106	653	108	105
Laurentide	6	...	..	...	...	...	...	185	113
Port Alf. P., c. (n.p.)	.	...	111	110½	111	110½	540	122	95
Do. pref.	7	6.60	106¼	105⅞	106	106	205	108	102
Price Bros., com.	2	2.27	88	88	88	92	50	96	78
Do. pref.	6½	6.16	105½	105½	105½	105¼	70	107¼	103
Smith, Howard, com.	.	...	90	85½	90	85½	965	93	71
Do. pref.	8	6.86	117	116	117	117	394	117	115
Spanish River, com.	7	...	..	...	...	...	...	163½	135
Do. pref.	7	5.24	133½	133	133½	133⅛	20	152	130
St. Maur. V., c. (n.p.)	.	...	99	99	99	99½	1	100½	72½
Do. pref.	7	6.81	105¼	102¾	102¾	105	35	105½	101½
Wayagamack (n.p.)	$3	3.07	113⅝	94½	96	113	1565	127¼	94½
Do. Rights	.	...	13	10¼	10½	...	5911	13	10
Steel and Steel Industries—									
B.E. Steel, com.	.	...	3½	3⅛	3⅜	3⅛	275	5¼	1
Do. 1st pref.	.	...	43½	40	42½	40	4065	48⅛	22
Do. 2nd pref.	.	...	8½	6¾	7½	7	3406	11¼	3½
Can. Car & Found., c.	.	...	51½	50	50¼	52	720	54⅞	44
Do. pref.	7	7.33	95½	95	95	95	310	95½	90
Can. Fairbanks, pref.	6+3†	5.82	..	...	...	...	...	103	103
Can. Forgings, com.	.	...	..	...	...	...	...	20	15
Do. pref.	5†	...	80	80	80	75	35	80	65
C.G.E., c. (par $50)	.	...	91	70½	91	81	20	91	70½
Do. pref. (par $50)	7	5.78	60½	58½	60½	60	338	62½	58½
Canada Iron, com.	.	...	..	...	...	...	...	26	25
Do. pref.	4	...	..	...	...	...	...	80	60½
Can. Locomotive, com.	.	...	..	...	...	...	...	x48	25
Do. pref.	7	8.43	83	81	83	80	154	83	75
Dominion Bridge	$2.60	3.66	72	70½	70½	72	4774	74¾	61½
Dominion Coal	.	...	95	95	95	94	67	96½	75
Dominion Iron, pref.	.	...	..	...	...	...	...	12	5
Dom. Steel Corp., pref.	.	...	..	...	...	...	...	76¼	44½
East Steel Prod. (n.p.)	.	...	27	27	27	28	40	30	23
Do. pref.	7	7.21	96⅞	96⅞	96⅞	96	25	99	94
Ford Motor	15	...	..	...	...	...	...	x475	436
Gotfredson, c. (n.p.)	.	...	8	8	8	8	15	15	8
Gould Pumps, pref.	7	...	..	...	...	...	...	x100	100
Hayes Wheel, c. (n.p.)	.	...	24	23	24	24	171	31½	23
Do. pref.	7	7.36	95	95	95	95	15	100	95
Kelvinator, c. (n.p.)	.	...	10	8	9½	10	105	12	5
Do. pref.	7	8.75	80	78	80	78	180	80	65
Massey-Har., c. (n.p.)	.	...	41	39½	40¾	40½	11813	47¼	36¾
Do. pref.	7	6.45	108½	108	108½	108½	344	110	107½
McKin. Ind., c. (n.p.)	.	...	36	34	36	34	555	36	27¾
Do. pref.	7	7.14	99¾	98	98	99½	105	99¾	97½
Do. Vot. Trust	.	...	35	34	35	34	1315	35	26
N.S. Steel, pref.	.	...	..	...	...	...	...	26	25
Ontario Steel	6	5.06	..	...	...	...	...	118½	118½
Do. pref.	7	5.83	..	...	...	...	...	120	120
Page Hersey, c. (n.p.)	$3	3.12	96⅞	93	93	95	4905	108	85
Do. pref.	7	3.66	191	190	191	190	40	212	171
Pressed Metals, com.	$3	5.45	57½	54	57½	54	365	58	50
Do. pref.	7	7.36	..	...	...	...	...	95	95
Russell Motor, com.	4	6.66	60	58	60	56½	30	60	55½
Do. pref.	7	7.07	99	99	99	100	75	100⅛	97½
Steel of Canada, com.	7	3.72	190	187	190	190	523	199¾	180
Do. pref.	7	4.24	165½	160	160	165	13	180	160
Milling, Foodstuffs and Merchandising—									
Alta. P. Gr., c. (n.p.)	.	...	64	60½	62	62¾	1050	70½	51
Do. pref.	7	7.00	101	99½	100	100½	266	101½	96½
Arnolds, c. (no par)	.	...	15	13	13	14½	448	20⅛	13
Do. pref.	.	...	..	...	...	...	...	87	83
Atlan. Sug., c. (n.p.)	.	...	21	20¾	21	21	175	27½	15½
Do. pref.	.	...	..	...	...	...	...	85½	75
B.C. Fish, c. (n.p.)	.	...	8¾	8	8½	8½	2900	12½	6¾
Do. pref.	.	...	50	48	48	50	327	66	46
Can. Bak., c. (n.p.)	.	...	40½	40	40	40	225	42	37
Do. pref.	7	6.73	..	...	...	...	...	105	102½
Can. Bread, c. (n.p.)	$6	3.84	..	...	...	...	...	170	153
Do. pref. (A)	7	5.64	124	123	124	123	25	124	115
Do. pref. (B)	7	6.42	109	108	108	109	55	110	106
Can. Canners, c. (n.p.)	.	...	17¾	17½	17½	18	315	23	17
Do. 1st pref.	6	6.59	91¼	89	91	89½	535	94	88½
Do. 2nd pref.	60c	3.00	20½	20	20¼	20¼	2263	25	19
Canadian Salt	8	4.90	163	162	163	161	60	163	154
Christie Br., c. (n.p.)	$1.20	1.04	117	115	117	117	210	131½	86
City Dairy, c. (n.p.)	$2	4.30	47	46	46½	46½	1510	59¼	44⅜
Do. pref.	7	5.55	..	...	...	...	...	128	121
Cuban Can. Sugar, c.	.	...	2½	2	2½	3½	60	3½	2
Do. pref.	.	...	..	...	...	...	...	30	25
Wm. Davies (A) (n.p.)	.	...	..	...	...	...	...	46	43
Do. (B) (n.p.)	.	...	..	...	...	...	...	20	19
Dom. Stores (n.p.)	$3	2.60	121½	112	119	121½	1470	129	104½
Do. Rights	.	...	9.00	8.25	8.75	8.50	1127	9.00	8.00
Ham. Dairies, c. (n.p.)	.	...	46	46	46	46	25	50	45
Do. pref.	7	6.82	102	102	102	102½	20	108	102
Hunts, Ltd., c. (n.p.)	$1	2.55	..	...	...	...	...	46	37
Do. pref.	7	7.00	100	100	100	101	10	101	99
Inter. Milling, pref.	7	6.39	110	109½	110	107½	35	110¼	107½
Lake of Woods, c.	12	7.05	170	170	170	170	20	185	167
Do. pref.	7	5.60	125	125	125	125	10	125	122
L. Secord, c. (n.p.)	.	...	43	39	41	38	275	46	37
Do. pref.	7	5.38	132	123¼	130	127½	240	136	121
Loblaw, c. (n.p.)	$1	1.04	96	95	95	95½	85	118	93⅛
Do. pref.	7	5.18	145	141	141	140	60	175	134
Do. Rights	.	...	3.50	3.00	3.50	3.50	393	3.75	3.00
Maple Leaf Mill., c.	.	...	111	110	111	113	50	128⅝	100
Do. pref.	7	6.42	109	108	109	109	30	111	105
Muirheads, c. (n.p.)	60c	4.21	14½	14	14⅝	14½	425	16½	13¼
Do. pref. (par $10)	75c	5.35	14	14	14	14	12	17½	14
Nat. Grocers, pref.	8	8.08	99	99	99	99	3	99½	98
Ogilvie Fl., c. (n.p.)	5	1.25	400	400	400	400	5	425	395
Do. pref.	7	5.25	133¼	133¼	133¼	142	10	143	133¼
Pure Gold Mfg. (n.p.)	$1.50	5.88	25½	25¼	25¼	25¼	40	28	22
Shred. W., c. (n.p.)	$3	4.34	69¾	68	68	68½	515	78⅞	65½
Stanfords, c. (no par)	$1	4.15	..	...	...	...	...	27¼	23
Do. pref.	7	7.33	..	...	...	...	...	96	94
St. Law. Flour, c.	.	...	36	35	35	37⅞	35	52¼	35
Do. pref.	7	7.36	..	...	...	...	...	95	95
Viau Bisc., c. (n.p.)	.	...	22½	22	22	22½	380	33	15
Do. pref.	7	8.33	86	84	86	84	20	88½	84
W. Can. Fl., c. (n.p.)	$1.40	3.50	40¾	34	40	35	1776	50	31½
Do. pref.	6½	6.25	104	104	104	105	14	106	104
W. Groc., c. (no par)	$1	4.76	21	20	21	21	120	22	19
Do. pref.	7	8.75	81	78	80	76	121	81	75
Weston, com.	.	...	64	62	64	62	237	64	48
Do. pref.	.	...	100¾	100¼	100¾	100½	168	100¾	100
Utilities—									
Bell Telephone	8	4.80	167	165½	167	166	496	167	154
Calgary Power	5	4.71	..	...	...	...	...	108	100
Consumers Gas	10	4.95	202	202	202	202	109	202	196
East Koot. Pr. (n.p.)	.	...	..	...	...	...	...	25	25
Do. pref.	7	6.96	..	...	...	...	...	100½	99
Int. Util. (A) (n.p.)	$3.50	7.44	47	45	47	45½	958	51¼	44¼
Do. (B) (n.p.)	.	...	8	7	8	7¼	1515	10⅝	6½
Jamaica Pub. Ser., pf.	7	6.30	111½	111	111½	113	6	115	105
Laurentide Power	5	3.84	139	130	139	130	95	165	130
Mackay, com.	7	5.38	133	112	123	112	1885	133	109½
Do. pref.	4	4.87	83	70	83	70	1157	83	66
Mexican Light, c.	.	...	81	68	81	62	140	81	61½
Do. pref.	3½	...	..	...	...	...	...	80	77
Mont. L H & P (n.p.)	$2	2.15	93	90	93	90	7418	94½	89
Mont. Teleg. (par $40)	8	5.82	55⅝	55	55¼	55	35	55⅝	53¼
Nor. Mex. Pr., c.	4	3.73	109½	99	106	100	3165	110	90
Do. pref.	7	6.93	..	...	...	...	...	105	97
Ot. & Hull P., c. (n.p.)	.	...	..	...	...	...	...	70	35
Do. pref.	7	6.48	..	...	...	...	...	108	99
Ott. L. H. & Pr., c.	6	4.61	..	...	...	...	...	134	130
Do. pref.	6½	6.19	105	104	105	106¼	26	109	104
Power Corp., c. (n.p.)	.	...	81	79	80	82	1776	85½	70½
Do. pref.	6	5.94	101½	101	101½	101	21	102	99
Quebec Power, c.	$2	2.32	87	85	85¼	85	417	92	85
Shawinigan (n.p.)	$2	2.18	92	91	92	91¾	6176	99	87
S. Can. Pr., c. (n.p.)	4	2.89	138	135	135	135	164	161	114
Do. pref.	6	5.66	106	100	105	107	38	107⅞	100
Shawinigan Rts.	.	...	8	7¾	7⅞	8	12351	8½	7½
West Koot. Pr., pref.	7	6.57	..	...	...	...	...	106½	106½
Transportation—									
Can. Pacific Rly.	10	4.61	217	212	215	212⅜	416	217	200
Can. Steam., c. (n.p.)	.	...	38½	34½	38½	34	1325	38½	31
Do. pref.	6	6.45	93	91	93	92	1848	93	89
Do. voting	.	...	36	34½	35	33	85	36	31
Tractions—									
Barcelona (par $50)	1	...	71	65	71	63	215	71	60
Brazilian, c.	7	3.33	210	205	208	205¼	16067	223¾	195
Do. Rts.	.	...	20⅜	19¼	20	19½	37896	21⅞	18
Do. (new)	.	...	53½	52	53	52½	24154	54¼	50½
Do. pref.	6	3.72	..	...	...	...	...	183	160
Detroit Un. Rly.	.	...	..	...	...	...	...	1	1
Duluth-Superior	$1	6.66	15	15	15	15	260	22	15
Mexican Trams.	.	...	..	...	...	...	...	x21	19¼
Montreal Trams.	10	5.01	199⅞	199	199	200	30	200	190
Ottawa Traction	4+1	7.09	70½	70½	70½	71	25	72	68
Porto Rico Rlys., c.	$3	...	..	...	...	...	...	70⅜	59
Do. pref.	7	6.93	101	100	100	100	41	101	98½
Twin City, c.	4	8.00	51½	47¼	47¼	51⅝	1350	55	47
Do. pref.	7	6.63	..	...	...	...	...	106	102¾
Winnipeg Elec., c.	2	1.65	123⅝	120	122½	123	6190	124¾	98
Do. pref.	7	6.42	109	108⅞	109	108⅞	36	115	105½
Textiles—									
Car Conn. Cot., pref.	4	5.33	75	71	75	71½	248	88	66
Can. Converters	7	5.51	127	119	124	117	642	127	101
Can. Cotton, com.	8	5.92	..	...	...	...	...	152	130
Do. pref.	6	6.00	104½	99½	100½	100½	131	104½	99½
Can. Woollens, com.	.	...	10	10	10	15	5	25	10
Do. pref.	.	...	..	...	...	...	...	85	78
Cosmos Imp., c. (n.p.)	.	...	22	20	20	21	408	27½	17
Do. pref.	7	7.10	98½	98½	98½	99	20	101	98½
Dom. Tex., c. (n.p.)	$5	4.00	125	124	125	126	400	134½	124
Do. pref.	7	5.42	129	129	129	131	5	131	129
Monarch Knit, c.	.	...	..	...	...	...	...	x39½	7½
Do. pref.	.	...	61	61	61	55	40	70	45¾
Montreal Cottons, c.	6	5.21	115	115	115	115	19	116	115
Do. pref.	7	5.69	123	123	123	123	1	125	121
Penmans, c. (n.p.)	4	3.96	101	101	101	101	290	106	97½
Do. pref.	6	5.76	..	...	...	...	...	106¼	103
Wabasso Cot. (n.p.)	6	5.45	112	110	110	130	250	133	110
Zimmerknit (n.p.)	.	...	21	20	20	20	105	30	20
Do. pref.	7	7.65	92	91	91¼	91¼	160	105	91
General Industrials—									
Am. Sales, c. (p. $20)	4	5.63	72½	71	71	74	250	80	71
Do. pref.	7	6.45	108½	106	107	109	60	112	106
Asbestos Co., c. (n.p.)	.	...	31	29½	30¼	30	1577	37	29
Do. pref.	7	7.69	92½	91	92½	91	488	96	90½
Brant. Cd., pf. (p. $25)	8	10.52	21	19½	19½	20	300	21	15
Building Prod., com.	$1.20	2.66	46	43	44	45¼	12100	47	33¾
Do. pref.	7	6.82	..	...	...	...	...	106	102½
Burt, F. M., c. (p. $25)	$3	4.47	67	67	67	68	55	76	63
Canada Cement, c.	.	...	32½	31½	32⅜	32	2228	35	31
Do., pref.	6½	6.50	100	99¾	100	100	829	101¼	97½
Can. Bronze, c. (n.p.)	.	...	93	83	91	83	6475	93	67
Do. pref.	7	6.33	110½	110	110½	110½	80	111	109½
Conduits, c. (no par)	.	...	..	...	...	...	...	38	35
Do. pref.	7	6.86	..	...	...	...	...	102	101
C. Smelt. (p. $25)	10+40	4.64	270	267	269	268	823	289½	251
Crow's Nest Coal	6	9.91	60½	60½	60½	61	10	62	55
Dom. Glass, c.	7	5.28	133¼	132	132	132	685	135	125
Do. pref.	7	5.83	120	120	120	120	9	120⅝	119
Dom. Rubber, pref.	7	...	..	...	...	...	...	x75	75
E. Theat., c. (p. $25)	$2	8.00	25	25	25	29	3	29	25
Do. pref.	7	7.36	95	95	95	96¾	1	100	95
Famous Players, c.	.	...	90	86	90	86	783	90	40
Do. pref.	8	7.61	105⅝	104½	104½	105	335	106	102
Gilman, com.	6	5.45	..	...	...	...	...	120	109
Do. pref.	7	6.19	..	...	...	...	...	123⅛	113
Goodyear Tire, com.	$5	3.54	144	138¾	141	142	1826	168	136
Do. pref.	7	6.51	108½	106¼	108	108	292	108½	104
Gypsum & Alabastine	.	...	63	60	61	...	946	63	60
Do. Rights	.	...	8.00	7.50	8.00	...	425	8.00	7.50
Ham. Un. Theatres, c.	.	...	10	10	10	10	5	12½	7
Do. pref.	7	8.53	..	...	...	...	...	82	82
Holt, Renfrew, c.	.	...	..	...	...	...	...	115	80
Do. pref.	7	7.00	..	...	...	...	...	100	92
Int. Nic., c. (p. $25)	$2	2.19	94	87½	91¼	91½	78502	100	73¾
King Edward Hotel	$6	9.75	62	60	61½	59	515	62	50
Lyall Construction	.	...	62	57	61	59	2205	62	47
Loew's, com.	.	...	..	...	...	...	...	40	40
Do. pref.	7	7.00	..	...	...	...	...	101¾	100
National Brick, com.	.	...	..	...	...	...	...	9	4
Do. pref.	6	8.33	78	72	72	74	15	75	60
Pacific Burt, com.	6	5.00	120	120	120	117	31	137	117
Do. pref.	7	5.82	120¼	120	120¼	120	12	136	120
Photo Engrav. (n.p.)	$2	5.71	36	34½	35	36	320	41¼	33
Port Hope San., com.	4+2	2.72	..	...	...	...	...	220	190
Do. pref.	7	5.73	..	...	...	...	...	122	120
Rogers, Wm., com.	4	5.97	70	67	67	70	107	70	65
Do. pref.	7	6.82	102¼	101	102¼	103	15	103	100
Sher-Williams, com.	6	3.31	181	175	181	170	185	181	170
Do. pref.	7	5.83	120	120	120	126	5	129	120
Standard Chem.	$1	...	27	25	27	25	10	29	25
Sterling Coal	.	...	..	...	...	...	...	19	19
Tooke Bros., com.	.	...	20	20	20	19	63	20	19
Do. pref.	7	10.00	..	...	...	...	...	72	67
Tuckett Tobacco, c.	4	4.00	100	100	100	101	25	101½	98
Do. pref.	7	5.98	116	116	116	117	1	118	114
Woods Mfg., com.	.	...	..	...	...	...	...	x46	39
Do. pref.	7	8.86	..	...	...	...	...	80	77
Stand. Chem., Rts.	.	...	2.50	2.50	2.50	2.50	1	2.50	2.50
Beverage—									
Brading Brew. (n.p.)	$2	7.14	27¾	27¾	27¾	28	30	32	27¾
Brew. & Dist. (n.p.)	40c	...	16½	16	16	16	40	18	15¼
Can. Brew. (no par)	$2	5.63	36	33½	34½	33¾	1575	40	29
C. Ind. Alc. (no par)	$1.52	3.70	41¼	40	40⅝	41	11157	42	31½
Do. "B"	.	...	39	38	39	38	1085	39½	36½
Can. Malting (n.p.)	$1.50	4.05	37	36	36¼	37	2625	40¾	32¼
Carling Brew. (n.p.)	$2	5.40	37	34	36	35¾	3154	44	30
Com. Alc. (no par)	$1	2.70	38½	36	38½	37½	480	40	25
Do. pref.	8	...	...	...	...	...	...	x110	103
Cosgrave B. (p. $10)	6	7.05	8½	8¼	8½	8½	255	9¾	8
Chas. Gurd, c. (n.p.)	$2	2.01	100	99	99½	100	424	114	93
Do. pref.	7	6.36	110	110	110	108	105	110	106
Hiram Walker (n.p.)	$2	3.33	61	58	59½	61	9148	69	54
Lake Ont. Brew. (n.p.)	$2	10.00	20	20	20	20	135	30	20
Do. Rts.	.	...	.75	.60	.60	.65	2670	1.50	.50
Nat. Brew., c. (n.p.)	4	3.36	122½	117¼	117¼	122¾	4899	123½	112½
Do. pref.	7	5.60	...	...	...	...	...	125	122
Nat. Distilleries	.	...	17¾	17	17½	16	555	20¾	15
Pelissiers	.	...	18½	17½	17¾	17½	2280	18½	13
Seagram (no par)	.	...	21	20½	21	20½	180	32¼	19
Do. Rts.	.	...	4.75	4.00	4.00	4.00	3374	4.75	3.50
Do. Receipts	.	...	20½	18	18¾	19	2900	20½	18
Toronto Brew. (n.p.)	.	...	10	10	10	10	315	10½	9½
Federal Distil.	.	...	5½	4¾	5	...	5474	5½	4¾
Oil—									
Ajax	.	...	63	50	54	52	59150	80	43
Beacon Oil	.	...	14	14	14	13¼	10	17½	13¼
Brit. Am. Oil (n.p.)	$1	2.70	37	36¼	36¾	37	9875	40½	31¾
Can. Oil, c. (no par)	$1	1.85	55	53	53	54½	255	68½	44
Do. pref.	8	6.25	..	...	...	...	...	170	128
Continental Oil	$1	...	...	...	...	...	...	22	17
Foothills Oil	.	...	2.90	2.00	2.90	2.00	5000	2.90	1.50
Frontenac Oil	.	...	29	29	29	28⅝	2	34	27¾
Imperial Oil (n.p.)	$1.50	2.54	59¾	58¾	59¼	59½	3295	65¼	56
Int. Pete. (no par)	75c	2.00	37½	36⅝	37¼	37	6165	44	34½
McColl-Fron. (n.p.)	.	...	34	31¾	33⅞	32	27612	34¼	29⅛
Do. pref.	.	...	85¾	85¾	85¾	86	5	90	85
North Star, c. (p. $5)	.	...	..	...	...	...	...	3.00	2.50
Do. pref. (par $5)	7	...	...	...	...	...	...	6.50	5.00
Petrol Oil	.	...	18	17½	18	17¼	40550	21⅞	15
Supertest Pet., c.	50+50c	1.17	85	85	85	88	10	96	70
Do. pref.	7	7.14	..	...	...	...	...	99	97
Venezuel. Pet. (p. $5)	20c	...	..	...	...	...	...	x7½	6½
Volcanic Oil	$1.40+5c	...	27	27	27	36½	14	37	27
Vacuum Gas	.	...	11¾	8	9	7½	40250	12½	7
Trojan	.	...	..	...	...	...	...	2.35	2.00
Trust and Loan—									
Canada Life	20	...	..	...	...	...	...	1000	990
Can. Permanent	12	5.00	240	240	240	10	...	250	230½
Col. Invest. (p. $10)	.	...	..	...	...	...	...	5	4
Econ. Invest. (p. $50)	4	3.40	..	...	...	...	...	59¾	57
Huron & Erie	8	4.84	..	...	...	...	...	167	152
Landed Banking	10	5.00	..	...	...	...	...	205	200
Mont. Loan (p. $50)	12+1	6.76	..	...	...	...	...	48	48
National Trust	12+1	3.82	340	335	340	335	5	340	305
Ont. Loan (par $50)	12	4.68	..	...	...	...	...	128	128
Real Estate Loan	7	6.08	115	115	115	111	20	115	110
Toronto Gen. Trusts	12	4.00	..	...	...	...	...	300	275
Toronto Mge. (p. $50)	12	4.91	..	...	...	...	...	122	114
Union Trust	7+1	5.61	..	...	...	...	...	150	137
Toronto Gen. Rights	.	...	21	19¾	20	20	104	22	19¾

CURB AND UNLISTED MARKETS

	Div. Rate	Yield Mar. 19	High for wk.	Low for wk.	Close Mar. 20	Close Mar. 13	Sales for wk.	Range, 1928 High	Range, 1928 Low
Asch, com. (n.p.)	.	...	26½	26½	26½	26	23	30	24½
Do. pref.	.	...	92	92	92	92	5	93	90
Attendu Eng. (p. $1)	.	...	16	15	16	14½	336	21	12
Belding, com.	6	6.85	..	...	...	...	...	95	80
Do. pref.	7	7.00	101	101	101	100	20	105	94
Can. Celanese (n.p.)	.	...	63	60	63	62¼	535	78	57⅝
Do. pref.	.	...	93	92	92	93¾	145	103½	90
Can. Dredge (n.p.)	.	...	34	32¼	34	33	162	37	31
Do. pref.	.	...	113½	111	113½	111	128	115	108
Can. Light & Power	.	...	40	40	40	47	50	49	40
Can. Nor. P., c. (n.p.)	.	...	90	82	85	80	510	90	65
Do. pref.	7	6.73	..	...	...	...	...	105	100
Cockshutt, com.	.	...	..	...	...	...	...	22⅞	21⅞
Do. pref.	.	...	110½	109	109	111	1060	143½	105¾
Cons. Food Products	.	...	14½	13½	13½	...	1635	14½	13½
Cooksville Sh. Brick, c.	.	...	..	...	...	...	...	x14	10¾
Do. pref.	4	...	..	...	...	...	...	x55	50½
Dom. Engineering	$2.60	4.33	..	...	...	...	...	65	52
Dom. Fdy. & Steel, c.	.	...	..	...	...	...	...	5	5
Do. pref.	.	...	42	42	42	32	75	42	32
Dom. Power, com.	.	...	64⅛	57	61	57	1010	66	54
Do. pref.	7	...	..	...	...	...	...	x102	100
Dryden Paper (n.p.)	.	...	44⅛	42⅞	42⅞	44½	1465	46¼	33
E. Dairies, c. (n.p.)	.	...	52	51½	51½	52	263	55	51½
Do. pref.	7	6.96	..	...	...	...	...	100½	99
Eng. Elec., c. (n.p.)	.	...	19	19	19	19	95	22	11
Do. pref.	.	...	101	100	101	101	65	112	75
Farm. Dairy, c. (new)	$1	4.76	21½	20½	20½	21⅞	255	27	17
Do. pref.	7	6.66	..	...	...	...	...	110	105
For. Pr. Secs. (n.p.)	.	...	47½	46⅞	47	47	972	48⅞	38½
Gt. West Saddlery, c.	.	...	23½	23	23½	23	3027	25	23
Do. pref.	.	...	99	98	99	99	295	99½	98
Hydro Electric	.	...	65	56¾	65	55	12870	65	50
Illinois Power, pref.	7	7.05	104	104	104	99¼	10	104	99¼
Imp. Tob., c. (par $5)	6+2	...	9¼	8⅝	9	9	6627	10¾	8⅛
Inter. Power, com.	.	...	43	39½	42¾	39	970	43¼	37
Do. pref.	7	7.07	99	98½	99	98½	90	100	97
Kemsley Millburn	.	...	16¼	16	16	16½	30	17⅝	15⅝
Loew's London, com.	3	...	..	...	...	...	...	5¾	5¾
Man. Power (no par)	$2	1.62	123	120	121	122½	455	123½	85
Mitchell, J. S.	.	...	55	42½	50	42⅞	809	55	38
Do. pref.	7	...	..	...	...	...	...	102½	99½
Mount Royal, com.	.	...	..	...	...	...	...	x6	3
Do. pref.	6	11.53	52	52	52	50	5	52	50
Municipal Ser. (n.p.)	.	...	10	9	9	10	231	15	8
North. Bak. (n.p.)	7	...	46	43	45	46	2675	54	40
N.S. Car, c. (n.p.)	.	...	44	43	44	43½	1080	49	39
Ott. Riv. Pr. (n.p.)	.	...	38	38	38	38	1	38	25
Paton Mfg., c. (n.p.)	.	...	67	67	67	68	60	68	55
Do. pref.	.	...	102	102	102	103	55	103	102
Perfection Glass	.	...	3½	3	3⅜	3½	1175	8¾	3
E. L. Ruddy, pref.	7	7.14	98	98	98	97½	10	101	97½
Robinson Cone	.	...	30½	30	30¼	...	715	30½	30
Service Stn. Equip.	$1.60	4.00	41	39	39	41	1294	48	35½
St. Maur. Power	4	2.14	..	...	...	...	...	194	170
Simpson, Robt., pref.	6	5.79	..	...	...	...	...	105	102½
St. Law. Pap., c. (n.p.)	.	...	103½	102	103½	104	661	110	100
Do. pref.	8	6.40	125⅛	125⅛	125⅛	125½	200	125¼	116
Standard Clay	.	...	..	...	...	...	...	34½	33
Tamblyn, c. (n.p.)	.	...	25¾	24¼	25¾	24⅜	1372	25¾	21
Do. pref.	.	...	97	95½	97	93¼	923	97	90
United Secs., com.	.	...	52	50	50	64	55	64½	50
Do. pref.	6	5.71	105	104½	105	104½	50	105	100
Wolthausen (no par)	.	...	..	...	...	...	...	x25	20

†Arrears.
xQuotations for 1927. No sales recorded in 1928 to date.

Flood Barnes Active Bond Prices

	Price	Rate	Years to Maturity	Next int. Date	Yield %
Abitibi Pwr. & Paper Gen. 6's, due '40	106	6	12	July 2	5.30
Abitibi Pwr. & Paper, 6% notes, due '31	102	6	3	Sept. 15	5.25
Agric. Mtge. Bk. of Colombia Gtd. S.F. 7s, due '47	99¾	7	19	July 15	7.02
Argentine Govt. 6's, Series "B", due '58	100½	6	30	June 1	5.95
Asbestos Corp., 1st Ref., S.F. 6's, due '41	108½	6	13	July 1	5.59
Asbestos Corp. Gen. Mtge. S.F. 6's, due '56	100	6	28	July 1	6.00
Bell Tel. of Can. 1st 5's, Series "B", due '57	105¾	5	29	June 1	4.64
Brompton Pulp & Paper, 1st & ref. SF 6's, due '46	104	6	18	Mar. 1	5.65
Brazil, United States, Ext. S.F. 6½'s, due '57	98½	6½	29	Apr. 1	6.61
Canada Cement, 1st Mtge. S.F. 5½'s, due '47	103½	5½	19	May 1	5.26
Can. Nor. Power Coll. Trust 6½'s, due '41	103¾	6½	13	May 1	6.10
Can. Light & Pwr., 1st 5's, due '49	96¼	5	21	July 1	5.30
Canada Paper, 1st S.F. 6's, due 1945	103¾	6	17	June 4	5.65
Can. S. S. Lines, 6's 1st & gen., Series A, '41	103¾	6	13	Apr. 15	5.60
Can. S. S. Lines Consol. 5's, due '43	102¾	5	15	Aug. 15	5.00
C. P. Rly Coll. Trust 5's, due '34	102	5	6	Apr. 15	4.60
C. P. Rly. Secured 4½% notes, due '44	100	4½	16	June 15	4.50
Can. Goodrich Income 7's, due '43	60	7	15		
Chile Republic Ext. S.F. 6's, due '60	95¼	6	32	Apr. 1	6.35
Chile Republic Ext. S.F. 6's, due '61	95	6	33	Aug. 1	6.36
Dom. Iron & Steel 1st 5's, due '29	98½	5	1	July 1	
Dom. Iron & Steel Consol. S. F. 5's, due '39 (£)	72	5	11	Sept. 1	
Donnacona Paper Co. 1st S.F. 5½'s, due '48	100	5½	20	Aug. 1	5.50
Duke Price Power S.F. 6's, Series "A", due '66	106¾	6	32	May 1	5.55
Fraser Companies Debentures 6½'s, due '42	108½	6½	12	Apr. 1	5.60
French Line Ext. S.F. 6½'s, due 51	102	6½	23	Aug. 15	6.33
French National Mail S.S. Ext. S.F. 6's, due '52	98¾	6	24	May 1	6.10
Gen. Steel Wares, Ltd., 1st mtge. S.F. 6's, due '52	103	6	24	May 1	5.77
Gatineau Power, 1st 5's, due '56	101	5	28	June 1	4.93
Gatineau Power S.F. Debs. 6's, due '41	103¾	6	13	June 15	5.59
Hydro-Elec. B'd & Sh. Corp. Coll. Trust 5's, due '57	99	5	29	May 1	5.07
International Paper Ref. SF 6's, Series A, due '55	105	6	27	Sept. 1	5.63
Manitoba Power 1st S.F. 5½'s, due '51	104½	5½	23	July 1	5.15
Mtl. Coke & Mfg. 1st 5½'s, Series A, due '47	103	5½	19	June 1	5.25
Mtl. L.H.&P. 1st Ref. & Coll. Trust, 5's, Series A, due '51	103½	5	23	Apr. 1	4.75
Mtl. Tram. 1st Coll. Trust 5s, Series A, due '41	102½	5	13	July 1	4.74
Mtl. Tram. Gen. & Ref. SF 5's, Series A, due '55	101½	5	27	Apr. 1	4.90
Nor. Ont. Lt. & Pwr. 1st. S.F. 6's, due '46	105	6	18	July 1	5.55
Nova Scotia Coal & Steel 1st S.F. 5's, due '59	76	5	31	July 1	
Northwestern Utilities, 1st S.F. 7's, due '38	104	7	10	June 1	6.45
Port Alfred Pulp & Paper 1st S.F. 5½'s, due '57	100	5½	29	May 1	5.50
Price Bros. 1st S.F. 6's, Series A, due '43	106¾	6	15	Aug. 1	5.35
St. Maurice Power 1st S.F. 6½'s, due '53	107½	6½	25	Aug. 1	Called
St. Law. Paper 1st S.F. 6's, Series A, due '46	104	6	18	Sept. 1	5.65
St. Law. Paper S.F. 6½'s, due '36	102½	6½	8	July 2	6.10
Southern Can. Pwr. 1st 5's, Series A, due '55	102½	5	27	Apr. 1	4.85
United Securities Coll. Trust S. F. 5½'s, Series A, due '52	103¾	5½	24	May 1	5.23
Wayagamac Pulp & Paper 1st S.F. 6's, due '51	104½	6	23	July 1	5.65
Winnipeg, Electric Ref. 6's, due '54	105½	6	26	Apr. 2	5.60

Unlisted Stocks

These prices are mostly as at March 20, and while obtained from reliable sources, cannot be guaranteed.

Industrial Stocks

	Bid	Asked
A. W. Chase, com.	$ 2.00	$ 5.00
A. W. Chase, pref.	50.00	60.00
Border Cities, pfd. bonus, c.	....	39.00
Brandram Henderson, com.	22.00	24.00
Brandram Henderson, pref.	84.00	90.00
Brantford Roofing	97.00	....
Canada Machinery, com.	5.50	8.50
Canada Machinery, pref.	28.00	35.00
Can. Paperboard, pref.	....	94.00
Canadian Westinghouse	227.00	245.00
Caulfields Dairy, com.	....	37.50
Copeland Flour Mills, pref.	20.00	24.00
Dom. Alloy, pf. bonus com.	1.50	3.50
Dom. Foundries & Steel c.	5.00	....
Dom. Foundries & Steel, pf.	41.00	46.00
Dom. Linens, pref.	16.50	....
Dom. Manufacturers, com.	6.50	....
Dom. Manufacturers, pref.	70.00	....
Dom. Power, com.	60.00	65.00
Dom. Power, pref.	104.50	106.50
Dom. Sewer Pipe, com.	65.00	66.00
Dom. Sugar, com.	24.00	....
Dom. Sugar, pref.	94.50	....
Dunlop Tire, pref.	103.00	....
Durant of Canada	3.00	4.50
Gillett, E. W.	76.00	....
Goodyear Cotton, 7% pref.	101.00	103.50
Gosse Packing, com.	....	36.50
Gosse Packing, pref.	....	78.50
Greening Wire, pref.	97.00	99.00
Guardian Realty, pref.	60.00	65.00
Huethers Brewing, pref.	....	4.00
King Edward Hotel "A"	86.00	90.00
King Edward Hotel "B"	77.00	80.00
Kingston Ship-Building, pf.	18.00	....
Loew's Buffalo, pref.	26.50	33.00
Loew's London, com.	4.00	5.00
Loew's London, pref.	7.00	8.00
Loew's Mansfield, pref.	84.50	....
Milton Brick Co.	17.50	....
Palace Thea. (Mont.) pfd.	90.00	....
Pure Food, com.	28.00	32.00
Simpson, Robt., pref.	103.50	....
Traymore, pref.	19.50	21.50

Insurance

	Bid	Asked
British America	45	..
Canadian Fire, full pd.	120	135
Canada Life	985	1025
Canada National	20	..
Casualty of Canada, full pd.	190	200
Capital Life, 20%, pd.	26	..
Confederation Life, 10% pd.	97	..
Continental Life, 10% pd.	75	..
Crown Life, full paid	335	..
Dom. of Can. Guar. & Ac.	350	..
Dominion Fire	125	..
Dominion Life, 50% pd.	450	..
Excelsior Life, 30% pd.	115	..
Federal Fire, 25% paid	42	..
Fidelity of Canada, full paid	145	155
Great West, full paid	540	560
Imperial Life, 85% paid	435	..
Manufacturers Life, 55% pd.	400	450
Monarch Life, 10% paid	47	51
Montreal Life, 20% paid	75	80
National Life, 25% paid	72	..
Ontario Equitable, 10% paid	37	40
Security Life, 50% paid	20	..
Sun Life, 75% paid	2000	..
Toronto Casualty	..	26
Western Assurance	76	..

Mortgage, Loan, Etc.

	Bid	Asked
British Mortgage & Trust	$208.00	$ ....
CapitalTrust	71.00	....
Chartered Trust	100.00	105.00
Commercial Finance, com.	25.50	....
Commercial Finance, pfd.	78.00	84.00
Crown Trust	125.00	....
Debentures & Sec., com.	73.00	....
Debentures & Sec., pref.	73.00	....
Lambton Loan & Savings	79.00	....
London Loan & Savings	46.00	50.00
London & West Trusts	150.00	....
Mfg. Fin., pfd. bonus c.	6.10	7.00
Midland Loan & Savings	16.00	....
Mortgage Discount, pref.	7.00	8.00
Mortgage Discount, com.	.40	.80
Mutual Finance, com.	7.00	8.00
Mutual Finance, pref.	7.00	8.50
Peoples Loan & Savings	80.00	85.00
Saskatchewan Mortgage	39.50	....
Sterling Trust Co.	98.50	....
Toronto Finance, pref.	....	3.50
Waterloo Trust & Savings	115.00	....

Club Shares

	Bid	Asked
Bayview Golf	$ 25.00	$ 40.00
Lakeview Golf	45.00	70.00
Lambton Golf	440.00	480.00
Mississauga Golf	20.00	30.00
Rosedale Golf	150.00	....
Summit Golf	25.00	50.00
Thistledown Golf	....	65.00
Thornhill Golf	70.00	90.00
Toronto Winter Club	....	60.00
Weston Golf	75.00	95.00
York Downs Golf	200.00	250.00

Recent London Quotations

	Sales
Calgary Power	109
Hudson's Bay	95s.
Hudsons Bay, 5% pref.	99s. 4½d.
Can. West. Lumber	7s. 4½d.
Standard Chemical, 7%	22½
Dominion Tar	44s. 4½d.
Mond Nickel	130s.
Lake Superior	9

Recent Vancouver Quotations

B. C. Telephone, pfd., new 6%	109½
Pacific Coyle, com.	10½b.
Gosse Packing, pref.	92

Recent Winnipeg Quotations

	Bid	Asked
Beaver Fire Co.	120	..
Can. Fire Ins. Co.	104	..
Home Inv. and S. Assn.	78	..
N. Mtge., fully paid	80	..
N. Mtge. 50% paid	25	25
Northern Trusts Co.	50	..
Standard Trusts Co.	33	35
No. Star Oil, com.	2.75	..
No. Star Oil, pref.	5.45	..

Unlisted Bonds

	Bid	Asked
Abitibi Fibre 6s, 1947	101¼	102
Abitibi P. & P. 6s, 1940	105	106
Algoma Steel, 5s, 1962	60¼	62
Alberta Pac. Grain, 6s, 1946	102	102½
Bell Telephone, 5s, 1955	105	105½
Belgo Can. Paper, 6s, 1943	103	..
Brandram Henderson, 6s, 1939	90	..
B. C. Pulp and Paper, 6s, 1950	90½	92¼
Burns, P. & Co., 6½s, 1943	103½	..
Calgary Brewery, 5s, 1942	97	99
Calgary Power, 5s, 1940	94⅝	95½
Canada Biscuit, 6½s, 1946	..	101¼
Canada Lt. & Pr., 5s, 1949	94	95¼
Can. Nor. Power, 6s, 1941	102⅝	103½
Can. Paperboard, 7s, 1937	98½	100
Can. Steamships, 5s, 1943	102½	103
Can. Steamships, 6s, 1941	102½	103¼
Davies, Wm., 6s, 1942	96	98
Dominion Iron, 5s, 1939	70	74
Drummond Invest., 6½s, 1938	98	100½
Duke Price, 6s, 1966	106	107
East Kootenay Pr., 6s, 1966	104	105½
Elec. Development 5s, 1933	101¼	102¾
Famous Players, 6½s, 1943	104	..
Fraser Cos., 6s, 1950	103¾	105½
Gatineau Power, 5s, 1956	100⅛	100¾
Gatineau Power 6s, 1941	102¼	103¼
Howard Smith P. & P. 6s, 1941	104½	105½
King Edward Hotel, 7s, 1944	97	100
Lake Superior P. & P. 6s, 1941	106½	108
Laurentian Pr. 6s, 1936	110	..
Laurentide Pr., 5½s, 1946	101	102½
Manitoba Pr., 5½s, 1951	103	104½
Mont. L. H. & Pr. 5s, 1951	102½	103¼
Mont. Pub. Service, 5s, 1942	101	101¾
Nor. Ont. L. & P. 6s, 1946	104	105
Nor. West Utilities, 7s, 1938	102	104
Nova Scotia Steel, 5s, 1959	72	75
Nova Scotia 6% Debs.	41	45
Nova Scotia Tram. 5s, 1946	99½	101
Nova Scotia Tram. 7s, 1952	104	106
Ont. Pulp & Paper, 6s, 1948	108¾	110
Ottawa Hull Pr. 6s, 1948	104	105
Ottawa L. H. & P. 6s, 1953	105	106
Ottawa Mont. Pr. 6½s, 1949	104¾	105¼
Ottawa Trac. 5½s, 1955	102¾	103½
Ottawa River Pr. 6½s, 1953	104¼	105¼
Port Alfred P. & P. 5½s, 1957	99	100
Price Bros., 6s, 1943	106	106¾
Prov. Lt. Pr. 5s, 1946	101¾	103
Rio Tramways, 5s, 1935	98	98⅜
Sao Paulo Tram. 5s, 1929	99¼	99⅝
St. Lawrence Paper, 6s, 1946	102	103
St. Maurice Valley, 5½s, 1957	99	100
St. Maurice Pr., 6½s, 1953	106½	108
Shawinigan W. & P. 4½s, 1967	97	97¾
Simpson's, Ltd., 6½s, 1945	104¼	104½
Southern Can. Pr., 5s, 1955	101¼	102
Spanish River P. & P., 8s, 1941	105¾	106½
West Kootenay Pr. 6s, 1943	104	104¾

NEW YORK CURB

	Close Mar. 7	Close Mar. 14	Close Mar. 21
Bunker Hill	150 1-2	154 3-4	...
Can. Marconi	3 5-8	6	6 5-8
Dom. Stores	117 1-2	114	118 1-2
Fanny Farmer	35	38	39 1-4
Ford Canada	580	570	600
Imp. Oil Can.	57	59	59
Inter. Petrol.	36 7-8	37	37 1-4
Int. Util. "A"	45 1-8	43 1-2	...
Do.. "B"	7 5-8	7 3-8	7 3-4
Nipissing	5	5	4 7-8
Noranda	20	19 3-4	18 3-4
Premier Gold	2 7-8	[illegible]	2 3-4

Bond Movements of the Week

Week Ending March 20

Bonds	Int. Rate	Due	Yield	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low	Ask	Latest Price Bid	Latest Price High
Asbestos, gen. mge.	6	1956	6.11	98	88	99½	97¼	98¾	98½	98½
Canada Bread	6	1941	5.28	107	105	108	107	...	107	107
Can. Canners	6	1950	5.76	102	96½	103	101½	102	101½	103
Can. Pr. & P. deb.	5	1958	5.04	..	...	99¼	96	...	...	99¼
Can. Locomotive	6	1951	6.00	100	99	100	100	...	99¼	100
Montreal Trams A.	5	1955	4.98	100	94¼	102	99¾	101	100	100¼
Wayagamack	6	1951	5.65	103½	97	104½	103	...	104¼	104½
War Loan	5	1931	4.30	102.70	101.10	102.85	102.10	102.50	102.25	102.50
Do.	5	1937	4.20	106.75	102.95	106.70	105.35	106.20	106.15	106.15
Victory Loan	5½	1933	4.42	106.55	103.35	106.50	105.05	105.35	105.05	105.75
Do.	5½	1934	4.60	105.55	102.80	105.85	104.80	105.15	104.90	105.25
Do.	5½	1937	4.22	111.15	106.85	110.95	109.75	110.35	110.05	110.25
Do., Refund	5	1928	5.00	101.50	99.75	100.60	100.00	100.55	100.35	100.20
Do.	4½	1940	4.30	103.40	96.50	102.90	102.00	102.35	102.05	102.30
Do.	5	1943	4.45	106.40	102.30	106.10	105.05	105.95	105.65	106.00
Do.	4½	1944	4.29	103.00	96.90	103.05	102.40	102.85	102.55	102.60
Do.	4½	1946	4.27	102.70	96.70	103.15	102.55	102.95	102.65	102.95
Do., Renewal	5½	1932	4.56	104.10	101.85	105.85	103.55	104.05	103.75	103.85

Stock Market

MARKET INDICATOR

20 Industrial Stocks	High	Low
Week of March 21	105.6	103.2
Week of March 14	104.9	103.8
Month of March, 1927	84.3	80.2
9 Bank Stocks		
Week of March 21	$292	$288
Week of March 14	290	286
Month of March, 1927	241	238
10 Public Utilities		
Week of March 21	$118	$113
Week of March 14	114	112
Month of March, 1927	96	89

WEEK'S GAINS AND LOSSES

Banks	7	1	1	9
Paper	9	8	5	22
Steel	16	8	19	43
Foodstuffs	13	16	26	55
Utilities	17	6	10	33
Tractions	5	4	7	16
Textiles	3	6	9	18
Industrials	29	31	41	101
Total	99	80	118	297

Foreign Exchange

NEW YORK FUNDS

	High (Premium)	Low	Last year High (Premium)	Last year Low
Mar. 15	1-32	1-32	3-16	3-16
Mar. 16	1-32	3-64	3-16	11-64
Mar. 17	1-32	1-32	11-64	1-8
Mar. 19	1-32	3-64	7-64	3-64
Mar. 20	3-64	1-16	3-64	3-64
Mar. 21	1-16	5-64	3-64	1-32

STERLING, FRANCS and LIRE

	Sterling Close	Francs Close	Lire Close
Mar. 15	4.87 8-16	3.93 1-8	5.27 7-8
Mar. 16	4.87 5-8	3.93 1-4	5.27 7-8
Mar. 17	4.87 5-8	3.93 1-4	5.27 7-8
Mar. 19	4.87 7-8	3.93 3-8	5.28
Mar. 20	4.87 31-32	3.93 1-2	5.28 1-4
Mar. 21	4.87 29-32	3.92 1-2	5.28 1-4

FOREIGN EXCHANGE

Par		Mar. 14	Mar. 21
13.90	Italian	5.28	5.28
23.82	German	23.91	23.90
19.30	Belgium	13.94	13.94
84.85	Japan	46.95	47.00

Public Utility Earnings

SOUTHERN CANADA POWER

February	1928	1927
Gross earnings	$150,874	$129,659
Operating expenses	44,904	41,538
Net earnings	105,970	88,121
Five Months:		
Gross earnings	730,692	646,725
Operating expenses	233,330	207,515
Net earnings	$497,362	$439,210

BRAZILIAN TRACTION

Feb.	1928	1927	Inc.
Gr. earn.	$3,212,804	$2,876,573	$ 336,231
Oper. exp.	1,384,561	1,262,000	122,561
Net earn.	1,828,243	1,614,573	213,670
Ag. gross from Jan. 1	6,519,979	5,852,374	667,605
Ag. net from Jan. 1	3,750,813	3,289,502	461,311

The figures for the past fourteen months follow:

1927	Gross	Net	Inc.
January	$2,975,801	$1,674,929	x$ 117,359
February	2,876,578	1,614,573	x64,214
March	3,080,055	1,765,482	2,139
April	3,053,071	1,743,614	28,242
May	3,237,839	1,901,400	x10,208
June	3,197,303	1,910,223	x127,230
July	3,346,083	1,984,762	x6,044
August	3,358,938	1,990,203	27,845
September	3,293,117	1,899,196	x12,155
October	3,305,659	1,910,390	127,436
November	3,303,181	1,902,081	242,930
December	3,292,022	1,757,700	301,508
1928—			
January	3,307,175	1,922,570	247,641
February	3,212,804	1,828,243	213,670

xDecrease.

CALGARY OIL STOCKS

Calgary oil stocks closed on March 21: Alta. Pac., 42; Dalhousie, 875; Royalite, 53; Ill-Alta., 56; McD.-Segur Exp., 1.40; McD.-Segur N., 1.15; McLeod, 3.55; Vulcan, 3.25; Davenish, 33; Mid West, 35; Spooner, 2.05.

Ontario Insurance Act Made But Few Changes

With the exception of clauses withdrawing certain restrictions against fraternal societies issuing endowment policies, the Life Insurance Bill, passed by the Ontario Legislature this week, was mostly aimed to iron out some little kinks in previous legislation and make quite clear the law on the subject. Of such a nature is the clause providing that renewal fees to agents be "the prescribed fee," this clause being necessary to conform with 1926 legislation changing the first fee from $3 to "the prescribed fee."

Certain amendments to the accident and sickness insurance clauses are made in accordance with recommendations of the superintendents of insurance who met in Quebec last year.

The change relating to fraternal societies takes away the restrictive clause making it necessary for them to have shown two consecutive immediately previous years' increase in life business in addition to the other conditions. This clause is now removed as it was deemed unfair to fraternal societies and the other restrictive clauses were deemed sufficient.

Montreal Power Still on Regular Dividend

From Our Own Correspondent

MONTREAL.—Before the declaration of the regular dividend of 50 cents a share by the Montreal Light, Heat & Power, Consolidated, for the current quarter, there was some talk of an increase in the dividend rate to $2.40. In 1927 the company earned a surplus of close to $3,000,000 over dividend requirements. An extra disbursement of 40 cents a share would mean an extra distribution by the company of only some $800,000.

The failure of the management to increase the dividends had no effect on the market price of the shares, though. This conservative dividend policy in the past has meant much in building up the company to its present impregnable position.

Equipment Companies Having Good Business

From Our Own Correspondent

MONTREAL.—Interest revived in the shares of the railway equipment companies when it became known that the Canadian National Railways was placing an order for some $3,[illegible] with the Canadian Car, the National Steel Car and the Eastern Car. It is understood that more than one-third of the new business is going to the Canadian Car & Foundry Company, while the balance will be divided between the National Steel Car and the Eastern Car, the Besco subsidiary. This order, following one of about the same size from the C.P.R., indicates that 1928 will witness a revival in the railway equipment industry in this country.

Australia Buys N. B. Sardines

Australian orders to the amount of 25,000 cases have been received for New Brunswick sardines, it is announced by A. Neill McLean, of Connors Bros., Limited, who operate the large plant at Black's Harbor. The order will involve about $150,000, including freight charges.

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Salvation Army's Boys Make Excellent Citizens for Work on Our Farms

At Hadleigh, in Essex, Army Conducts Training School Where British Youngsters Get Training in Agricultural Pursuits Prior to Coming Out

From Our Own Correspondent

LONDON, ENG.—The Salvation Army trains British boys to work on Canadian farms. At Hadleigh, in Britain, it has a fine training school turning out useful citizens for Canada.

The Salvation Army Migration and Settlement Department was established a quarter of a century back, though prior to that time many things had been done by the Army to place British settlers in the overseas dominions. The advent of a properly-organized department, however, gave an impetus to the Army's migration and settlement work. The Army has been responsible directly and indirectly for placing 200,000 persons overseas.

Scandal to British Race

Commissioner David C. Lamb, who has directed the department since its inception, reporting to General Booth after a 52,000-mile tour of the Empire, recently said:

"The present condition of affairs, thousands of able-bodied men and women unemployed at home, vast rich areas overseas undeveloped, is a danger, a scandal, and a reproach, not only to professional statesmen, but to the common sense of the British race."

Recognizing that it was the absorbing power of the overseas dominions, not the pressure of economic circumstances in the homeland, that should regulate the flow of migrants, the founder of the Salvation Army nearly forty years ago declared that of all the remedies propounded for the immediate and permanent relief of distress arising from lack of employment, migration held the field. That is true to-day, says the Army.

Help 3,500 Boys

General Booth's Scheme for Boys, a special post-war effort, was inaugurated in 1923, and since April of that year up to the present time over 3,500 boys have benefited.

The scheme, in a nut-shell, is as follows: boy applicants must be between the ages of fourteen and nineteen years. They are personally seen by Army officers before being selected for training. Accepted boys receive a term of training limited to three months at the Hadleigh Farms, Essex, or on the farms at Riverview, near Brisbane, Queensland, or Putaruru, New Zealand. The boys are required to produce a certificate of health and physical fitness before being accepted. Reference, medical reports, and the boys themselves are seen by the respective government representatives before final approval for overseas is obtained. Each lad is sent to the new land fully equipped with an outfit. Boys are accompanied across the seas by an experienced officer. Army immigration officers overseas complete arrangements for reception and comfort on arrival. Each lad is suitably settled with a farmer at a fair and fixed rate of wages by definite agreement. Boys are visited and kept in touch with by correspondence and encouraged to persevere. Reports of progress, health, etc., are periodically sent to the respective headquarters for from two to three years after landing.

Completeness is its Virtue

What is the most striking feature of the scheme? There can be no hesitation in saying that it is its completeness, or its recognition of and provision for every need. Care in selection; sifting during training; the curriculum drawn up, not with a view to making a boy an expert agriculturist, but to qualify him for the ordinary duties of a farm; the human understanding; provision of suitable outfit; companionship while crossing the seas; the reception overseas; and the placing in situations are all evidences of its completeness. Moreover, all this is done under a unity of control peculiar to the Army.

Human understanding is further illustrated in the measures to replace boys if they are not comfortable in their situation. If he happens to be a misfit, he is replaced in another job. It is a fact that the training, aided possibly by the human methods adopted, inculcates a "land sense." For example, of the 500 boys trained by the Army and settled in Canada early in 1926, ninety per cent. were to be found working on farms eighteen months after their arrival. This example represents the average experience with boys trained by the Army.

Raise Moral Standards

There are, too, some deeper aspects connected with the scheme, than those of Empire utility or individual benefit. They include ethical, spiritual, and moral aspects. Much thought has been given to the moral efect upon a boy in training at Hadleigh.

At Hadleigh, the boys learn the value of pure-bred stock. In the early days, any kind of cross-bred stock was considered suitable. When it was proposed to have pedigree stock, there was much heart-searching as to whether or not it would be wise. Objections were raised on the ground of high initial expense, and it was thought that the persons working, and likely to work on the farm, would not be too careful of the valuable stock in their care. But these forebodings were wrong. The arrival at Hadleigh of "Vain Lord II," a pedigree Red Lincoln Bull, purchased at the Birmingham show, was like a royal procession. The colonists were enthusiastically taken. Everything had been tuned up to a tone of pleasant anticipation, even the colonists themselves smartened up for the occasion. Pedigree pigs and horses followed, and there was friendly rivalry among the colonists to tend them. The interest in work became deeper. So it is maintained that there is a moral effect in the presence even of pedigree stock on the farm, and this is equally true in relation to the effect on boys, as on the men trained at Hadleigh in the past.

Army Meets Much of Cost

With regard to cost of the scheme, the Army shoulders a great deal of the expense. The net cost to Army funds is about £10 a boy. During the four years ended 31st March last, they trained 2,875 boys at an expense of £52,215 (on training, £35,198; on outfit, £17,017); towards this expense they received from the Overseas Settlement Department £18,336; contributions from boys, £8,327; the balance, £25,552, being provided by General Booth out of social funds in London and by contributions from Army funds and friends and governments overseas.

The value of General Booth's scheme to the Empire, not less than to its beneficiaries, cannot be overestimated; apart from development of qualities of enterprise and adventure in youth there is also the more important development of moral backbone represented in the self respect which the general lines of the scheme aim to invest in boys; demoralization, caused by long periods of unemployment, or working in an occupation that has no prospect, is arrested by this scheme and the progressive faculty is reborn.

Come From Good Homes

The boys dealt with cannot in any way be classed as institutional boys; they hail from respectable homes up and down Great Britain. No particular regard is paid to the question of experience. A recent party of boys trained and taken overseas, according to information given by the boys themselves, consisted of fitters, tinsmiths, woodworkers, butchers, hair dressers, errand boys, shop assistants, lift boys, van boys. Even religious creed has no bearing upon the question of selection, for the Army accepts any lad irrespective of creed or nationality. While there are ulterior aims, the main purpose of the scheme can be summed up in a phrase: it is "To give the boy a man's chance."

Do the boys succeed? Yes, undoubtedly they do. There have been many striking successes. One boy, an unemployed miner of eighteen years, in the space of twenty-two months' work in Austrlia, repaid the expenditure from Army funds incurred on his behalf, paid the migration costs of his father, mother, brother, and sister, and on their arrival in Australia, gave his mother £15 for temporary expenses. The father and brother are now in good situations. Another young fellow, after two years' work in Canada, paid for a round trip from Canada to England and back, arrived here a few weeks before Christmas, visited his foster-mother and after three months' holiday in the homeland returned again to work in Canada.

Moves Women as Well

The Army, however, does not concentrate solely upon training and migration of boys. It has been said that no work of Empire migration and settlement can be entirely satisfactory unless it includes the migration and settlement of larger numbers of women. The last census showed that there are approximately two million more females than males in the British Isles. Overseas, in many districts men largely outnumber women, therefore the migration of large numbers of boys is likely to increase the disproportion between the sexes. For this reason, the Army aims to settle overseas larger numbers of women than men.

The very high percentage of success attained with boys—less than four per cent. fail and are repatriated by the Army—is striking testimony to the efficient methods adopted in dealing with young material, and in the case of women, who are comparably not less than eight years older than the younger boys, the successful results are even more striking, for less than one per cent fail. Moreover, ninety per cent. of advances made to women is repaid.

Lamb is in Charge

Recently the Salvation Army's commissioner of migration and settlement visited Canada and was successful in obtaining a renewal, in part, of the grant given by the Canadian government to the work of bringing boys to Canada.

Commissioner David C. Lamb, of the Salvation Army, is a Forfarshire Scot, captured by the Army in Aberdeen forty-six years ago. The commissioner has for many years been chiefly occupied with The Army's social work—he is International Social secretary to General Booth—and is a recognized authority on vagrancy, poor law relief, and empire settlement. Annual visits to Canada for twenty-four years; four journeys round the world (two of them being encompassed within fourteen months) has brought him into touch with men and women in authority in many lands. He has probably met more of the Empire's cabinet ministers than any man living.

On Job Since 1903

The control of the Salvation Army's migration and settlement department, since its inauguration in 1903, has been under Commissioner Lamb's direction, who has thus been responsible for transplanting overseas 200,000 British migrants. Enlightened methods of selection, and for the conveyance and settlement of British people in the British Dominions prescribed by the commissioner, have won for the Army the commendation of all interested in the development and consolidation of the Empire.

Commissioner Lamb has given evidence before Royal Commissions on Emigration, and at various conferences held by the British government with regard to the development of migration policies.

The commissioner's service as a master Empire-builder have been recognized in various ways, and during the life of Mr. Baldwin's previous government a title was offered to him, but, after consultation with General Booth, he decided that the cause for which he has worked so long would be best served if he declined the honor.

Edward Salmon (Editor of "United Empire"), writing on "Empire Work in a Corner of Essex," says: "Here at Hadleigh, within a mile or two of Southend, the great holiday resort of the teeming millions of the East End of London, is the farm that might almost be in the wilderness, on which to-day the Salvation Army is training boys for life overseas. Here they acquire elements of agricultural knowledge which will make life so much easier when they are called upon to assist in breaking up the land or gathering in its produce, or milking the cows, or tending the pigs in Canada, New Zealand, or Australia. Hadleigh has accommodation for 200 boys; it covers 2,000 acres; has fifty pedigree "Lincoln" milking cows and 200 pedigree "Middle York" pigs, and its fruit and market gardens extend to 300 acres."

"From Hadleigh last year (1926) no fewer than 923 boys were sent out to the Dominions after having passed through the preliminary stages of training. The peculiar value of the course is not only that it teaches lads what they will find valuable in after-life, but that it enables the Salvation Army authorities to weed out the obviously unfitted, so that while it may be said to be a measure of some guarantee of success to those who go, it is a preventative to failure to those who might otherwise be sent only to return to swell the ranks of the disgruntled.

"In its sixty years of service, the Army has done nothing more constructively, humanly, and spiritually valuable than this training for settlement overseas. It is a work of vision calling for resource and organization, directed by heart as well as head. It has brought hope into lives that had little prospect otherwise. On the Hadleigh Estate brickmaking is an accessory of the Salvation Army enterprise; it was difficult, as one watched the lads at work on the land, to resist the feeling that bricks were being turned out from other material than that of the clay pit. Character as well as craftsmanship is developed. Keep a straight furrow, lad! What a text direct from the plough as it turns the first sod.

"Other agencies, in their various ways, are doing equally good work, but it was a privilege and an education in itself to see the Salvation Army Migration Training Scheme actually in operation. For from this corner in Essex go forth regularly contingents whose members will, one is confident, lend a useful hand in the great work of Empire development."

Wheat and Flour Exports Show Good Gain in Feb.

Exports of Canadian wheat and wheat flour during the past month exceeded those for the corresponding period a year ago, according to returns compiled by the Bureau of Statistics. During February last, 18,371,535 bushels of wheat were exported, as compared with 11,421,705 bushels in February, 1927. Cumulative figures for the seven months ended February show total exports of 176,883,879 bushels, valued at $228,026,443, as compared with 163,507,857 bushels, worth $226,706,388 in the same period of 1926-27.

Wheat flour exports last month totalled 767,942 bbls., valued at $4,636,149. This is a slight increase both in quantity and value over the same month last year, when exports totalled 748,499 bbls., worth $4,770,360. For the seven months' period of 1928 shipments totalled 5,729,800 bbls., worth $36,809,819, as against 5,703,434 bbls., valued at $38,552,827 in the seven months ended February, 1927.

Rundle in Western Canada

W. E. Rundle, vice-president and general manager of the National Trust Company has gone to Winnipeg to be present at the formal opening of the company's new building. Before returning, Mr. Rundle will visit the other western offices of the trust company.

Pacific coast salmon pack showed a serious decline over 1926, the total number of cases for 1927 being 1,630,644, as against the record-breaking total in 1926 of 2,065,190.

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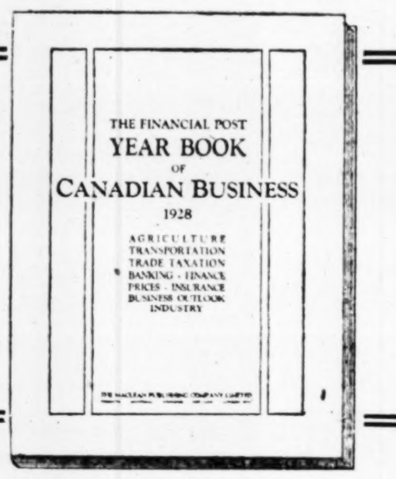

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The Canadian Fairbanks-Morse Company Limited

Annual Report

for the year ending December 31st, 1927

TO THE SHAREHOLDERS,
THE CANADIAN FAIRBANKS-MORSE COMPANY Limited.

Your Directors submit the Twenty-third Annual Report of your company for the fiscal year ended December 31st, 1927, accompanied by the balance sheet and statement of profit and loss, certified by your auditors, Messrs. Price, Waterhouse & Company.

The general situation in Canada throughout the year was very satisfactory and, with a few exceptions, prosperous conditions prevailed in every line of endeavour. That your company has shared in this improvement is indicated by an increase of twelve (12) per cent. in its sales over the previous year, which in conjunction with a substantial reduction in the ratio of expenses, resulted in a profit before provision for income taxes of $373,515.26 compared with $242,602.33 in 1926.

The balance sheet reveals a sound financial position with current assets of $3,141,421.77 against current liabilities of $635,192.12—a ratio of nearly five to one—leaving net working capital at $2,506,229.65. The remainder of the purchase price of your Vancouver property, which appeared in the 1926 report as a mortgage in the amount of $185,000.00, was paid in full during the year, thus removing the only non-current obligation having priority over the preference shares.

Dividends on the preference stock of the company were resumed on a quarterly basis in April, 1927, and a special payment of three (3) per cent. in reduction of the arrears was made during the latter part of the year.

Contributions on the usual basis were made to the Officers' and Employees' Pension Fund in a total amount of $15,913.04. The assets in the hands of the Trustees of the Pension Fund at December 31st, 1927, were $466,700.99, invested in high grade securities. This fund is not included in the figures of your company on the attached balance sheet.

Your Directors desire to record their appreciation of the services rendered by the employees of the company throughout the year.

On behalf of the Board of Directors,
THOMAS McMILLAN,
President.

BALANCE SHEET—DECEMBER 31, 1927

ASSETS

Capital Assets:		
Land and Buildings	$1,535,025.20	
Machinery and Equipment	683,474.50	
Furniture and Fixtures	25,000.00	
Goodwill and Patents, Patterns and Drawings	1.00	
		$2,243,500.70
Investments:		
Investments in securities of E. & T. Fairbanks & Company Limited		46,237.20
Current Assets:		
Inventories of Merchandise	$1,432,010.16	
Trade Accounts and Bills Receivable	1,385,769.39	
Cash in Bank and on hand	323,642.22	
		3,141,421.77
Deferred Charges to Operations		12,348.76
		$5,443,508.43

LIABILITIES

Shareholders' Account:		
Six Per Cent. Cumulative Preference Stock—15,000 Shares of $100.00 each Authorized and Issued		$1,500,000.00
Common Stock and Surplus (as per statement attached) represented by 125,000 Shares No Par Value, of which there are outstanding 80,000 Shares		2,157,561.92
		$3,657,561.92
Note: Minimum Capital with which Company is authorized to carry on business, $2,125,000.00.		
Current Liabilities:		
Trade Accounts Payable	$225,759.59	
Fairbanks-Morse & Company and its Subsidiaries	275,029.63	
Selling Commission accrued and other Liabilities	79,814.11	
Provision for Dominion and Provincial Taxes	32,088.79	
Dividend on Preference Stock for the Quarter ending December 31, 1927	22,500.00	
		635,192.12
Reserves:		
For Depreciation	$906,311.84	
For Accounts Receivable	91,245.67	
Miscellaneous	153,196.88	
		1,150,754.39
		$5,443,508.43

Note: Preference Stock Dividends are in arrear for two and a half years ending December 31, 1926.

Contingent Liability:

Guarantee in respect to dividend on $300,000 7% Preferred Stock of E. & T. Fairbanks and Company Limited, Sherbrooke, P.Q.

Submitted with our report to the shareholders dated March 7, 1928.
PRICE, WATERHOUSE & CO., Auditors.

Approved on behalf of the Board:

H. F. WALKER,
Director.

THOMAS McMILLAN,
Director.

PROFIT AND LOSS AND SURPLUS ACCOUNT—DECEMBER 31, 1927

Profit for the year after deduction of Selling, General and Administration Expenses			$ 461,263.47
Deduct:			
Interest		$ 19,830.06	
Pension Fund Contribution		15,913.04	
Provision on account of Depreciation		44,663.22	
Bad Debts written off, less Recoveries		7,341.89	
			87,748.21
Profit on Operations			$ 373,515.26
Deduct:			
Provision for Dominion Income Tax		$ 30,000.00	
Dividends on the Preference Stock—			
6% for the year ending December 31, 1927	$90,000.00		
3% for the half-year ending June 30, 1924	45,000.00		
		135,000.00	
			165,000.00
Balance of Profit			$ 208,515.26
Surplus Balance December 31, 1926			1,949,046.66
Surplus Balance, December 31, 1927			$2,157,561.92

AUDITORS' CERTIFICATE

Montreal, March 7th, 1928.

TO THE SHAREHOLDERS,
THE CANADIAN FAIRBANKS-MORSE COMPANY Limited.

We have audited the books and accounts of The Canadian Fairbanks-Morse Company Limited for the year ending December 31, 1927, at the Head Office in Montreal, and have been furnished with returns from the various Branches certified to by the Managers, and with all the information and explanations which we have required.

The Inventories of stocks on hand at December 31, 1927, have been certified to by responsible officials of the Company, and provision for loss has been made for all outstanding accounts now considered bad and doubtful.

The Cash and Investments at the Head Office have been verified by us and the bank balances of the Branches reconciled with certificates received from the Company's bankers. So far as we can determine, all liabilities of the Company at December 31, 1927, have been taken up on the books at that date.

And we certify that, in our opinion, the attached Balance Sheet at December 31, 1927, is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us and as shown by the books of the Company.

PRICE, WATERHOUSE & CO., Auditors.

A DOMINION-WIDE ORGANIZATION
Branch Offices and Warehouses:
Saint John, N.B., Quebec, Que., Ottawa, Toronto, Windsor, Ont., Winnipeg, Regina, Calgary, Vancouver, Victoria.
Head Office, MONTREAL

SHIPYARDS ASK OTTAWA AMEND COASTING LAWS

Want Canadian Boats Put on Equality with Foreign

Great Lakes vessels to a value of $22,000,000 and ocean vessels to a value of $50,000,000 have been purchased abroad from 1922 to the end of 1927. A list of such vessels has been published by John S. Leitch, vice-president of Collingwood Shipyards. Mr. Leitch is again urging legislative action for the encouragement of Canadian ship-building and ship-repair industries. He suggests an over-hauling of our coasting laws to put Canadian ships on a par with American and foreign ships.

Wrote to Ottawa

About three years ago a memorandum relating to the shipbuilding and ship repair industry of Canada was prepared and submitted by permission to a committee of the Dominion Cabinet and copies were furnished to the members of the Senate and House of Commons of Canada.

The purpose of this memorandum was to direct attention of the Canadian public, through its authorized representatives, to the condition and the prospects of the shipbuilding and ship repair industry in Canada which, in the opinion of the firms in the business forms an integral part of the industrial development and progress of the nation, capable, if properly encouraged, of advancing in no small degree its material welfare.

It was urged that American competition, particularly in ship repairs, should receive some attention, as even the repair work on Canadian coastwise vessels is not now assured to Canadian shipyards, and those familiar with and engaged in the industry then hoped, and still hope that in time both the repair and building of ships for Canadian coastwise trade will be secured to Canadian yards.

Ottawa Pays No Attention

Up to the present time no attention has been paid by the Canadian government to the importance and to the requirements of this industry. In the first place no doubt it was thought that the owners of steel shipbuilding and repair yards in Canada were selfishly interested in the requests which they put forward. In one sense this may naturally be so, but beyond the small measure of profit in their enterprise, which they could, under the best of circumstances hope for, the companies again urge the necessity of legislative action from a national point of view in the matters which were then dealt with, and to which they now refer.

In the second place the legislative action desired would involve the imposition of increase of customs duties, and unless the special circumstances were appreciated, would naturally arouse the suspicion of those who are opposed in principle to this form of taxation.

Ships Provide Service

In the memorandum referred to it was pointed out and is again urged by the shipbuilders that ships, while in the sense that they are dutiable, are goods, are in their character and functions, means of transportation, carriers of goods and passengers, and the rates of carriage in which alone the public are interested, are not determined by the cost of the ships but by competition between routes of travel or transport. Ships are not articles of consumption within the country and the public are not interested, unless very remotely indeed, in their cost; they are in this sense a national institution, such as railway lines or improved public highways, and to this extent should be deemed national in character when intended for or engaged in Canada's coastwise trade. The shipbuilders say: "We venture now to suggest that the conditions in this industry have not improved, and Canadian coastwise trade, as well as the shipbuilding and ship repair industry, is at the mercy of the competition of American built ships and of American shipyards, with no corresponding advantage to Canadian industries or to the Canadian people."

Mr. Leitch raises a number of points, as follows:

"(1) Shipyards throughout Canada have been practically idle for years, while ships for our canal and other trades have been purchased abroad.

"(2) Had a fair proportion of these vessels been built in Canada, Canadian trade in general would have been greatly stimulated. In the building and equipment of ships almost every industry of the country is directly or indirectly interested.

"(3) Thousands of mechanics and workmen formerly employed in the shipbuilding industry, have been denied such employment, and have had to seek work elsewhere, many of them going to the United States of America, with a loss to Canada of many of its best class of citizens.

Even Railways Lose

"(4) Canadian railways have lost a large volume of business in the land transportation necessary to supply an active shipbuilding and repair industry.

"(5) Canadian steel rolling mills and their employees would have greatly benefitted had encouragement been given to the shipbuilding and repair industry.

"(6) Immigration of both skilled and unskilled workers of the best class would have been stimulated.

"(7) With the exception of a few upper lake vessels, the shipyards of Canada in which nearly $100,000,000 are invested have, for some years past, been practically dependent upon repair work, a large percentage of which has been diverted to American yards.

"(8) Unless shipyards receive a fair proportion of building contracts they cannot maintain repair plants in a state of readiness and efficiency to effect repairs promptly in the interests of both vessel owners and shippers.

Question of Free Canals

"(9) Very large sums have been spent in building and maintaining canalso deepening waterways and in aids to navigation. These are placed, without charge, at the disposal of the production and transportation interests of the nation and are used also free of charge, by vessels under foreign flags. The general taxpayer is required to provide the moneys for these facilities and in turn should be entitled to the benefits of the industry which should supply and maintain the vessels that use these waterways, at least those engaged in coastwise trade.

"(10) The revenue of the Panama Canal in 1927 amounted to $26,231,000. All Canadian canals are free.

"(11) Under the United States law no ships may engage in coastwise trade unless built, owned and documented in the United States of America, while for many years the Canadian fleet has been maintained to a large extent by the purchase and entry at a small rate of duty of old American vessels that are not a credit to the Canadian fleet, and whose purchase is a disadvantage to national industry, and all the interests concerned in it.

"(12) On repairs to American vessels made in Canadian yards the United States collects fifty per cent. duty at the first port of call. Canada's rate on repairs to Canadian vessels in American yards is twenty-five per cent. only, and being payable only if and when the vessel re-enters Canadian coastwise trade within a year, is frequently not collected, with a corresponding loss to the national revenue.

"(13) Canada as a nation would profit largely in the returns from this industry, and would assume a proper national position, and enjoy much greater national prestige if its laws were so amended as to place the shipbuilding industry and the rules governing its coastwise trade, on a par with those of the United States, our greatest rivals in shipbuilding, repair and carrying trade."

Efficacy of Advertising Depends on Products

Advertising Cannot Create Qualities or Give Market Standing Where Value Does Not Exist, But It Can Express, Develop and Amplify What is Already Present

By JAMES H. McGRAW,
President of the McGraw-Hill Publishing Co.
Address delivered at the Harvard Advertising Awards presentation dinner.

At present the volume of trade is large. But competition is throttling, and profits, in some quarters, are declining. Some industries are despairing of customers. Has advertising, now so generally used, proved ineffective in maintaining full prosperity? Or have we as yet failed to fully appropriate the power of this great force? Lowered profits and idle capacity are not the concern of the stockholder alone. The public as a whole—employing and employed, as well as investor—suffers a setback when profits are squeezed and wares go a-begging.

Primarily the function of advertising as a business force is to interpret or expand a personality, whether of a product or of a service or of an industry. Products and services vary greatly in personality or distinctiveness. And it has long been recognized that a distinctive product has a decided advantage and security in the market. Excessive competition, with the squeezing out of normal profits, results from a surplus of identical or alternate products, or a surplus of products believed to be alternate.

Now advertising has won its spurs in the economical movement of distinctive goods, with resultant public gain. Is it not the greater field of staples or near-staples to which advertising must now be more widely applied, both in the industrial and consumer fields? And may not we here find a tonic for the price competition malady, thus aiding to restore complete industrial health?

Elements of Distinction

In considering the broader, as well as the more effective, use of advertising, it may well be questioned whether any product, however staple at first sight it may appear, is without elements of distinction. A product is endowed with the qualities of its makers, and no organization is entirely devoid of personality. The very fact of survival in a competitive market is proof that there is distinctiveness in product or service. There are such individual factors as company reliability; assurance of progressive product improvement through intelligent engineering or painstaking research; ability to assist buyers by prompt deliveries; competence of representatives to advise on use and application of the product and on the condition of the market. There are a hundred respects in which firms differ from each other. All these affect the willingness of the buyer to take one manufacturer's product rather than another's, even though the products appear to be similar.

We must increase our knowledge of how to sense these elements of distinctiveness in this great field of the staple product. Then we shall open up new vistas of advertising effort. Then we shall transfer many products from the miasma of excessive price competition to the high, free air of competition in quality and service. Then we shall trade up, rather than down. And Business will be the healthier for it.

Advertising's Effectiveness

It is apparent that the very planning of advertising causes a most searching examination of products, to determine the distinctive elements. If perchance, there be no market distinction, then, at the very least, advertising may guarantee a continuance of quality. The market position of certain brands of flour, bread, soap, cement, brass, industrial belting—the prosperity attending their makers—is eloquent testimony of advertising's effectiveness in the staple field. It has endowed run-of-product with a special character; and, through the guarantee of sustained quality, advertising has made specialties within staples.

True, advertising does not confer full immunity from price considerations and consequent narrow profits and halting markets, but it does shift the competition to bases of quality and use. It puts the battle on the sellers' rather than the buyer's ground, but at the same time it proves a boon to the buyer because of insistence on quality. The slogan, "Quality is remembered long after price is forgotten," already accepted as a principle by industrial consumers, suggests distinct social advantages to consumers at large.

Why, then, we may well ask, has not advertising been more completely adopted by Business? Why is there to-day some mistrust of advertising and often lack of will to invoke its power to help correct the current business situation?

Cannot Create Qualities

Advertising failures have resulted less from lapses in advertising technique than from advertising misapplied. Advertising cannot create qualities. Advertising cannot give market standing to a product where market value does not exist. It is sheer folly to assume that a product will take on compelling qualities if only they be claimed in advertising. Advertising can express, develop and amplify what is already present. It can stimulate the seed of product or service personality to growth and vigor. It cannot create the seed.

How often, through widespread advertising, do we learn that some worthy product, unknown because unheralded, is now to step out and claim its rightful place in the market. Advertising, presumably, is to supply the vitality, lacking for long slumbering years; advertising, presumably, is to create over night the effective producing organization that the years should have been developing; advertising, presumably, is to create marketing courage where timidity has calmly reigned. Invariably the effort fails. Flashing meteor-like across the sky, the newcomer fades quickly and leaves but blackened night. And often, all unjustly, the finger of accusation is pointed at advertising's failure.

Advertising is a challenge to soundness. It drags an institution into the limelight. It exposes it to examination and to criticism of its claims. Its defects are sure to be exposed.

For businesses with productions that match the needs of the times, advertising is a beneficient instrument; for those with products that have no rightful market claim, advertising is either corrective or fatal.

Soundness of Marketing Methods

To soundness of product or service, there must be added soundness of marketing method, if advertising is to be an effective instrument of prosperity.

Distribution costs are being subpoenaed before the court of public opinion; and too often advertising has had to bear the unjust odium of marketing's shortcomings. The logical markets may have been wrongly appraised. Distribution was attempted under conditions that made the cost prohibitive. Difference in buying habits, according to fields or industries, have been overlooked. Appeals to buyers have not been valid. Distribution channels have not been effectively organized. The sales force has been inadequate, ineffective or mishandled. Yet of advertising is expected the impossible delivery of economical distribution.

It is to the credit of many advertising men that they have been among the leaders in the adoption of modern marketing methods and that, in large number, they are competent counsellors on marketing plans.

We, therefore, have a grave responsibility toward those to whom we offer advertising counsel. Effective advertising must be reared on two sturdy foundations; the first, a product or service which meets existent or unexpressed needs of the market; the second, a waste-free marketing plan for reaching responsible buyers.

Sound advertising is a remedy for faltering business not alone in spurring the profitable filling of buyer's present wants. We have come to see that the very development of our social structure depends upon the rapid enlargement of needs and the introduction of new products.

Production Economies

Through the adoption of production economies, principally the greater use of power and the fruits of research, established industries constantly reduce the numbers of their employees per unit of product. The surplus workers thus thrown off by older industries must be absorbed into new ones, otherwise we shall have widespread unemployment, lowered standards of living, suffering, discontent. It is the role of consumer advertising quickly to introduce new products to a mass market, and thus create new demands for surplus labor. The automobile, the motion picture, rayon and a score of like products could not have been made servants of our common life so quickly had it not been for the penetration of advertising into every nook and corner of this country and through every purchasing level.

Advertising's place in such development of new products is clear. What would be the price situation in the shoe, the furniture, the carpet, and other staple industries if they were trying to employ the men and money which have gone into the automobile, rayon and motion picture businesses? New enterprises absorb surplus labor, create new purchasing power, stimulate consumer ambitions, render business profitable and make for social well-being. Advertising is the loudspeaker for development.

In thus adapting advertising to its destined sphere of usefulness, we of the business press have endeavored to do our share. The consumer medium creates consumer demand and directs the consumer to the dealer. Our function is to move goods from industry to industry, and from maker to distributor. To no small degree, industry's profits are measured by economies in those many inter-industry and inter-merchant movements which lie back of the final sale.

Tool of Operation

The very essence of the business press is an intimate relationship with an understanding of the industry or trade served. The significance of its editorial counsel finds reflection in the use of its advertising pages. Over inter-industry transactions, the industrial paper throws an effective net, tapping in for every industry on its supply channels, and affording the supplier a direct contact with his market. The buyer uses the industrial paper as a tool of operation, making it the channel through which he selects the materials and equipment for the efficient manufacture of his product.

It is evident, therefore, that the industrial division of the business press has an important beneficial effect on the profit margin. Its reading pages are a text book of economy in manufacture; its advertising pages, a text-book of equipment for doing jobs at lower cost. Through reading and advertising pages, then, it conducts to the lowering of producers' costs on consumers' products. Thus it tends to widen the profit margin. At the same time, through production economies, it gives the public continually greater values.

In its trade division, the business press is friend and counsellor of distributor and dealer. It is a powerful instrument in developing producer-distribution relationships that smooth the flow of goods to the public. It transmits evidences of sustained demand, introduces new products quickly, demonstrates the power of quality. Through the trade paper is established a community of interest between manufacturer, distributor and dealer. They become co-operating elements by which consumer wants are filled with desired merchandise of known quality, with prices reflecting speedy turnover.

We can look with great hope on advertising's promise for the maintenance of prosperity. Advertising has an important role in widening the profit margin in both industrial and consumer transactions. It removes products from unhealthy price competition, as fast as it can unearth distinctiveness in products and organizations. It reduces production costs by insistence, in the planning of campaigns, on conformity of goods to needs, and on standardization and simplification. It reduces distribution costs by challenging unsound marketing programs.

New Weapons of Quality

Proved an effective instrument in marketing specialties, advertising is now entering the even larger arena where staples are battling before a price-obsessed public. It offers new weapons of quality and service in Business' struggle with meagre profits.

Proved the stimulant of new public wants, advertising holds out enticing incentive to ever-faster introduction of new products, thus absorbing surplus labor and stimulating purchasing power.

SEE NATION-WIDE BRANCH BANKING COMING IN U.S.A.

Bank of Italy Pays High Tribute to System Following Canada's

The spread of branch banking in the United States is a tribute to the Canadian system. For generations the American banking system has been built upon the system of individual banks without branches. In Canada, on the other hand, large banks with branches scattered across the entire country have grown up.

In adopting branch banking the United States is following, though not copying Canada, just as it followed, without copying Canada, when it established a Federal Reserve System after Canada had proven the success of such a central reserve as is provided in the operations of the Finance Act in Canada.

Tribute to Branch System

A very striking tribute to the merits of the branch system of banking appears in the annual report of the Bank of Italy that has just appeared. It confirms the claims that have been made on behalf of the Canadian banks as to what they have done and are doing.

The Bank of Italy has been one of the sensationally successful banks of recent years in the United States, having risen to a high place, under the supervision of A. P. Giannini, chairman of its advisory committee. The comments on branch banking in its annual report are as follows:

"During the past year there has been a significant change in the country at large with respect to branch banking.

"In California, where we have pioneered and the plan has had its fair measure of popular support from the very outset, there has nevertheless existed a strong opposition on the part of an influential group of bankers who favored and advocated their type of bank—the so-called Unit Bank—as by far the more preferable. Many prominent members of this group, however, have become converted to the cause of branch banking, and are to-day among its staunchest supporters.

Now Friendly Interest

"Where in the past there was an expressed antipathy towards branch banking systems, we find now an evident friendly interest that is gathering momentum with each succeeding month.

"The sad failure of thousands of small unit banks throughout the country during the past few years has played an important part in altering old beliefs and bitter prejudices.

"The McFadden Bill, while designed as an anti-branch bank measure, nevertheless made it possible for National Banks to legally engage in branch banking within cities, and through consolidations to go much beyond. It is certainly a step in the right direction.

Straws Show Way of Wind

"The marked change in attitude of the American Bankers Association on the question of branch banking at its recent National Convention held at Houston, Texas, was a positive revelation. The lively interest displayed in our institution by the great majority of bankers present, the popularity of our founder, A. P. Giannini, and his appointment to membership on the executive council of that great association, are straws which indicate the decided change of opinion and sentiment on the part of many of the leading bankers of the nation.

"Several of the principal causes of the changed attitude of many California bankers toward branch banking has sprung from their realization that in sound branch systems a market is assured for their institutions as and when the advisability or desirability of such sale arises, and further, that in the exchange of their stock for that of established and proven metropolitan branch banks, they are the recipients of a security that is readily convertible into cash at a just and adequate price. It is also realized that by becoming an integral part of a well managed branch banking organization there is assured to the community the perpetuation of proper and adequate banking facilities.

"It may be pertinent to suggest, too, that due regard for the best interests of their own stockholders has been an important consideration in the minds of many far-sighted and prudent unit bankers. The opportunity that has been presented for greater profit through the exchange of their stock for that of the branch bank constitutes a tangible argument of compelling force.

Branch Banking and the Future

"We believe that our long and varied experience as pioneers of state-wide branch banking qualifies us to speak with some degree of authority upon the subject. We do not hold the opinion that our unusual success has been due to any superior knowledge or ability on our part, or to our own unaided efforts, but we are convinced that the key to our success is to be found in the democratic, unselfish and helpful policies pursued, and in the economic, social and political soundness of branch banking itself.

"Please bear with me while I point out just a few reasons why branch banking has proven its superiority and why we believe that nation-wide branch banking is inevitable.

"1. It is a more economical way of engaging in the banking business, because:

"(a) Operating expenses are less, due to the efficiencies and economies which large scale organization, purchasing, etc., make possible.

(b) Overhead is less, due to the centralization of administrative functions and elimination of unnecessary duplication of facilities.

"(c) Credit losses are less, due to intelligent credit supervision by picked men, which only a large and highly profitable institution can afford to employ, and due also to the inherent soundness that comes from loans spread over an entire state as against loans all placed in one community.

"(d) Assets enjoy a higher earning rate, due to the increased facilities for investment and greater experience in investment that naturally comes with the handling of large amounts of money.

"2. Local communities receive a safer and more adequate banking service, because:

"(a) They enjoy a sound depository for funds that is capable of easily weathering the complete agricultural failure during one or more years—not an uncommon occurrence in many rural communities.

"(b) No financial need is too large or too small to be supplied; and such banks are in a far better position to finance the sound and legitimate growth of a community than would be possible through the employment of local capital alone.

"(c) An opportunity is offered residents of every community served to share through stock ownership, in the profits not alone arising from the branch within their own locality, but those that accrue from the entire system as well.

"3. Branch banking is a financial bulwark making generally for soundness and progress. It is a great stabilizing force that easily weathers economic storms. It is a legitimate extension of the sound principles fostered by the Federal Reserve System, and is destined to become one of the nation's added assets in time of social and political stress.

Nation-wide Branch Banking

"It is indeed difficult to understand why banks and their customers should be denied the efficiencies of large scale 'production' and of nation-wide scope, which practically everyone admits is a veritable boon to every other form of business, and it is equally difficult to comprehend why under our existing laws and practices, branches of American banks—both state and national—are permitted to be established and operated in foreign countries, but denied the right of establishment in other American states.

"It is our firm belief that all prejudice and opposition will soon disappear, and that nation-wide branch banking will be the order of to-morrow.

"In our humble opinion this nation-wide development should be patterned after the structure of the Federal Reserve, rather than the English or Canadian systems. We venture this not in any criticism of the latter, but merely because we believe that our Federal Reserve organization meets the requirements and the temperament of our people better.

"The establishment of nation-wide banks—owned and controlled by the people of the country—dividing their responsibilities and operations into twelve regional districts, each presided over by a Regional Board, and dependent only upon a grand Central Head Office for general major policies and sanction as to major investments, does not seem unworkable or improbable, and we make bold to hope that the day may soon arrive when such banks will be given legal approbation."

Orange Crush, Limited

Dividend Notice

NOTICE is hereby given that a dividend of One and Three-Quarters per cent. (1¾%) on 7% First Preference Shares of the Company has been declared for the quarter ending March 31st, 1928, payable on April 1, 1928, to shareholders of record at the close of business March 24th, 1928.

By order of the Board.

R. T. MACDONALD,
Secretary.

Toronto, March 19th, 1928.

Orange Crush, Limited

Dividend Notice

NOTICE is hereby given that a dividend of Fifty Cents (50c) per share on the Second Preference Shares of the Company has been declared for the quarter ending March 31st, 1928, payable on April 1st, 1928, to shareholders of record at the close of business March 24th, 1928.

By order of the Board.

R. T. MACDONALD,
Secretary.

Toronto, March 19th, 1928.

EXECUTIVE WITH CAPITAL SEEKS CONNECTION

A client who has had exceptional business experience would like to form a connection with a going concern, preferably manufacturing or financial, where his executive ability and capital would be valuable.

Apply by letter only to

A. McKIM LIMITED, 34 KING ST. E., TORONTO

To the Common Stock Shareholders of

CHARLES GURD & CO., LIMITED

Your Directors have decided to offer to the Common Stock Shareholders of Charles Gurd & Co., Limited (hereinafter called the "Company") of record on the First day of April, 1928, the right to subscribe for 7416 2/3 shares without par value of unissued common capital stock of the Company pro rata according to their respective holdings on that date at a price of seventy dollars ($70.00) per share, payable in cash, together with the exercise of such right to subscribe. Warrants evidencing such right to subscribe will be mailed to shareholders as soon as practicable after the First day of April, 1928, and such rights to subscribe shall be exercised on or before April 30th, 1928, at the office of The Montreal Trust Company, in the City of Montreal, in accordance with the terms and provisions set forth in such warrants. If not so exercised, or if such exercise be not accompanied by payment of the purchase price of the shares, such rights to subscribe shall terminate on the 30th day of April, 1928.

By Order of the Board of Directors,

ALEXANDER McA. MURPHY,
Secretary-Treasurer.

POWER CORPORATION OF CANADA LIMITED

Second Preferred Dividend No. 3

NOTICE is hereby given that a dividend of 1½% (75 cents per share) being at the rate of 6% per annum, has been declared on the 6% Non-Cumulative Preferred Stock of Power Corporation of Canada, Limited, for the quarter ending March 31st, 1928, payable April 16th, 1928, to shareholders of record at the close of business March 31st, 1928.

By order of the Board,

L. C. HASKELL, Secretary.

February 24th, 1928.

TEXTILE DOMINION CO. LTD.

Dominion Textile Co. Limited

Notice of Preferred Stock Dividend

A DIVIDEND of One and Three-Quarter per cent. (1¾%) on the Preferred Stock of DOMINION TEXTILE COMPANY Limited has been declared for the quarter ending March 31st, 1928, payable April 16th, to shareholders of record March 31st.

By order of the Board,

JAS. H. WEBB,
Secretary-Treasurer.

Montreal, February 15th, 1928.

TEXTILE DOMINION CO. LTD.

Dominion Textile Co. Limited

Notice of Common Stock Dividend

A DIVIDEND of One Dollar and Twenty-Five Cents ($1.25) per share on the Common Stock of DOMINION TEXTILE COMPANY Limited has been declared for the quarter ending March 31st, 1928, payable 2nd April, to shareholders of record March 15th.

By order of the Board,

JAS. H. WEBB,
Secretary-Treasurer.

Montreal, February 15th, 1928.

THE BELL TELEPHONE COMPANY OF CANADA

NOTICE OF DIVIDEND

A dividend of two per cent. (2%) has been declared payable on the 14th April, 1928, to shareholders of record at the close of business on the 23rd March, 1928.

W. H. BLACK,
Secretary-Treasurer.

Montreal, 22nd February, 1928.

The Wabasso Cotton Company, Limited

DIVIDEND NO. 41 AND BONUS

Notice is hereby given that a Dividend of One Dollar per share on the Capital Stock of the Company has been declared for the quarter ending 31st March, 1928, also a bonus of Fifty Cents per share payable on the 2nd day of April, 1928, to shareholders of record as at the close of business on the 15th March, 1928.

By order of the Board.

JAS. R. RITCHIE,
Secretary-Treasurer.

Montreal Que., February [illegible]th, 1928.

$483,300.00
CITY OF SASKATOON
Saskatchewan
Debentures for Sale

Sealed tenders, addressed to the undersigned City Commissioner, and marked "Tender for Debentures" will be received up to 12 o'clock noon on Saturday, April 7th, 1928, for the following Sinking Fund Debentures, viz:

By-law No.	Purpose	Term	Amount
1670	Hospital extensions	30 years	$200,000.00
1705	Electric Light extensions	15 "	49,000.00
1706	Water meters	15 "	7,500.00
1707	Concreting Sedimentation Basin	20 "	16,000.00
1712	Concrete sidewalks (1926)	20 "	11,500.00
1714	Macadamizing 3rd Avenue and Queen Street	10 "	11,500.00
1720	Gravelling 8th Street and Broadway	10 "	7,700.00
1724	Street Railway extensions	20 "	82,000.00
1786	Concrete sidewalks (1927)	20 "	20,000.00
1787	Sewer mains (1927)	30 "	20,000.00
1788	Water Mains (1927)	30 "	22,200.00
1789	Sewer connections (1927)	10 "	16,800.00
1790	Water connections (1927)	10 "	28,100.00
			$483,300.00

The debentures are to be dated May 1st, 1928, with the exception of those under Bylaws 1712 and 1714 which are to bear date May 1st, 1927.

Alternative bids are required on the basis of:

(a) All the debentures bearing 4½% interest;

(b) All the debentures under Bylaws Nos. 1670, 1705, 1706, 1707, 1712, 1714, 1720 and 1724 bearing 5% interest and the debentures under Bylaws Nos. 1786, 1787, 1788, 1789 and 1790 bearing 4½% interest.

In the case of alternative (b) bidders are requested to submit a separate bulk price for the debentures which are to bear 5% and those which are to bear 4½% interest.

Principal and interest payable at the Bank of Montreal, in Montreal, Toronto, Winnipeg Vancouver and Saskatoon.

The debentures are a direct obligation of the City at large, issued in coupon form with interest payable semi-annually and principal at date of maturity. Provision is made for the registration of principal only.

The right is reserved to reject any or all tenders.

Any further information required will be furnished on application.

G. W. NORMAN,
Mayor.

ANDREW LESLIE,
City Commissioner.

THE TRINIDAD ELECTRIC COMPANY, LTD.

Notice is hereby given that a dividend of 1¼% for the quarter ending March 31st, 1928, on the Capital Stock of the Company has been declared.

Warrants will be issued and mailed to the address of each Shareholder and are payable at the Royal Bank of Canada, Halifax, N.S., on and after the 10th of April, 1928.

The transfer books of the Company will be closed from the 1st to the 10th of April, 1928, both days inclusive.

By order of the Board.

F. B. OXLEY,
Secretary.

Canadian Pacific Railway Company

NOTICE TO SHAREHOLDERS

The Forty-seventh Annual General Meeting of the Shareholders of this Company for the election of Directors to take the places of the retiring Directors and for the transaction of business generally, will be held on Wednesday, the second day of May next, at the principal office of the Company, at Montreal, at Twelve o'clock noon.

The Common Stock Transfer Books will be closed in Montreal, New York and London at 3 p.m. on Tuesday, the third day of April. The Preference Stock Books will be closed in London at the same time.

All books will be re-opened on Thursday, the third day of May.

By order of the Board,

ERNEST ALEXANDER,
Secretary.

Montreal, March 12th, 1928.

Woods Manufacturing Company Limited

Preferred Stock Dividend Notice

The regular quarterly Dividend of One and Three-quarters (1¾%) per cent. on the PREFERRED STOCK of WOODS MANUFACTURING COMPANY, LIMITED, for the quarter ending MARCH 31st, 1928, has been declared payable APRIL 2nd, 1928, to Shareholders of record MARCH 22nd, 1928.

By Order of the Board,

JOHN T. F. KEENE,
Secretary-Treasurer.

Montreal, February 15th, 1928.

ABITIBI POWER & PAPER COMPANY LIMITED

Dividend Notice

Notice is hereby given that a quarterly dividend of 1¾% per cent. has been declared on the outstanding Seven Per cent. Cumulative Preferred Stock of the Abitibi Power & Paper Company Limited, payable the 2nd day of April, 1928, to shareholders of record at the close of business the 20th day of March, 1928.

By Order of the Board.

W. H. SMITH, Secretary-Treasurer.

THE KING EDWARD HOTEL CO., LIMITED

NOTICE

A dividend of $1.50 per share for period ending March 31st, 1928 (at the rate of $6.00 per annum), has been declared on the Common Stock of the Company, payable April 2nd to shareholders of record at the close of business on the twenty-fourth day of March, 1928.

By Order.

D. H. McDOUGALL,
Secretary.

Montreal Tramways Company

ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the Shareholders of the Montreal Tramways Company will be held at the Company's Offices, Tramways Building, 78 Craig Street West, Montreal, at 12 o'clock noon, on Thursday, the 22nd day of March, 1928, for the reception of the Report for the fiscal year ended December 31st, 1927, Election of Directors, and the transaction of such other business as may legally come before said meeting.

The Transfer Books will be closed from the 9th to the 28th day of March, both days inclusive.

By order of the Board,

PATRICK DUBEE,
Secretary.

February 20th, 1928.

THE MOUNT ROYAL HOTEL COMPANY LIMITED

Notice is hereby given that a dividend of One and one-half per cent. (1½%) for the quarter ending March 31st, 1928, being at the rate of 6% per annum on the preference stock of the Company, has been declared payable April 2nd, 1928, to shareholders of record at the close of business on the 19th day of March, 1928.

By Order of the Board.

D. H. McDOUGALL,
Secretary.

Montreal, March 14th, 1928.

CARLING BREWERIES LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of Fifty Cents (50c) per share has been declared on the No Par Value Stock of the Company on the paid up capital of the Company. The above dividend is payable April 5th, 1928, to shareholders of record at the close of business on the 20th day of March, 1928.

Share Warrant Holders will present coupons serial number 3 to any branch in Canada of the Dominion Bank.

By order of the Board.

MARCO LEON,
Secretary.

Dated at London, March 15th, 1928.

WESTERN GROCERS LIMITED

Notice of Dividend

A dividend of one and three-quarters per cent. (1¾%) on the New Preference Stock of Western Grocers Limited, has been declared for the quarter ending March 31st, 1928, payable April 16th, 1928, to shareholders of record March 31st, 1928.

By order of the Board.

W. P. RILEY,
President.

Winnipeg, March 15th, 1928.

THE TORONTO MORTGAGE COMPANY

QUARTERLY DIVIDEND

NOTICE is hereby given that a Dividend of Three per cent., being at the rate of Twelve per cent. per annum, upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after

1st April, 1928,

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board.

WALTER GILLESPIE,
Manager.

The Dominion Bank

Notice is hereby given that a Dividend of three per cent. upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 31st March, 1928, being at the rate of twelve per cent. per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Monday, the 2nd day of April, 1928, to shareholders of record of the 20th March, 1928.

By Order of the Board.

C. A. BOGERT,
General Manager.

23rd February, 1928.

The Shawinigan Water & Power Company

Notice of Redemption

To the holders of the Series "D" Five and One-Half Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds of The Shawinigan Water and Power Company.

NOTICE IS HEREBY GIVEN that all of the outstanding Series "D" Five and One-Half Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds of The Shawinigan Water and Power Company, issued under and secured by a Trust Deed of Hypothec, Mortgage and Pledge, dated October 8th, 1919, and Deeds supplemental thereto, in favour of Montreal Trust Company, as Trustee, which would, according to their terms, mature on April 1st, 1954, will be redeemed by the Company, pursuant to the terms of the said Deeds, on the First day of April 1928, at par with a premium of five per cent. thereon and with interest accrued to the date of redemption.

The said Bonds will be paid at the redemption price aforesaid upon surrender thereof, with the coupons maturing on April 1st, 1928, and all coupons for subsequent interest attached thereto, at the principal office of The Royal Bank of Canada, in the City of Montreal, Canada, or at the principal office of the Bank of the Manhattan Company, in the Borough of Manhattan, City and State of New York, U.S.A., or at the Bank of Scotland, in London, England, at the holder's option.

In case such Bonds are not presented for redemption on April 1st, 1928, all interest on said Bonds will cease from and after the said date.

DATED at Montreal, this 29th day of September, 1927.

THE SHAWINIGAN WATER & POWER COMPANY,
(Sgd.) JAMES WILSON,
Secretary.

Referring to the foregoing Notice of Redemption, holders of the said Series "D" Five and One-Half Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds may surrender the same at the principal office of The Royal Bank of Canada, Montreal, or at the principal office of the Bank of the Manhattan Company, Borough of Manhattan, N.Y., or at the Bank of Scotland, London, England, at any time on or after November 1st, 1927, and prior to the date fixed for redemption, and upon such surrender will receive a sum equal to the redemption price of one hundred and five per cent (105%) with interest accrued on such Bonds to the date of surrender thereof.

THE SHAWINIGAN WATER & POWER COMPANY,
(Sgd.) JAMES WILSON,
Secretary.

The Shawinigan Water & Power Company

Notice of Redemption

To the holders of the Series "E" Five Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds of The Shawinigan Water and Power Company.

NOTICE IS HEREBY GIVEN that all of the outstanding Series "E" Five Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds of The Shawinigan Water and Power Company, issued under and secured by a Trust Deed of Hypothec, Mortgage and Pledge, dated October 8th, 1919, and Deeds supplemental thereto, in favour of Montreal Trust Company, as Trustee, which would, according to their terms, mature on October 1st, 1955, will be redeemed by the Company pursuant to the terms of the said Deeds, on the First day of April, 1928, at par with a premium of five per cent. thereon and with interest accrued to the date of redemption.

The said Bonds will be paid at the redemption price aforesaid upon surrender thereof, with the coupons maturing on April 1st, 1928, and all coupons for subsequent interest attached thereto, at the principal office of The Royal Bank of Canada, in the City of Montreal, Canada, or at the principal office of the Bank of the Manhattan Company, in the Borough of Manhattan, City and State of New York, U.S.A., or at the Bank of Scotland, in London, England, at the holder's option.

In case such Bonds are not presented for redemption on April 1st, 1928, all interest on said Bonds will cease from and after the said date.

DATED at Montreal, this 29th day of September, 1927.

THE SHAWINIGAN WATER & POWER COMPANY,
(Sgd.) JAMES WILSON,
Secretary.

Referring to the foregoing Notice of Redemption, holders of the said Series "E" Five Per Cent. First Refunding Mortgage Sinking Fund Gold Bonds may surrender the same at the principal office of The Royal Bank of Canada, Montreal, or at the principal office of the Bank of the Manhattan Company, Borough of Manhattan, N.Y., or at the Bank of Scotland, London, England, at any time on or after November 1st, 1927, and prior to the date fixed for redemption, and upon such surrender will receive a sum equal to the redemption price of one hundred and five per cent. (105%) with interest accrued on such Bonds to the date of surrender thereof.

THE SHAWINIGAN WATER & POWER COMPANY,
(Sgd.) JAMES WILSON,
Secretary.

PROVINCIAL PAPER LIMITED

Notice is hereby given that Regular Quarterly Dividend of 1¾% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable April 2nd, 1928, to shareholders of record as at the close of business March 15th, 1928.

W. S. BARBER,
Secretary.

March 20th, 1928.

To the Holders of the TWENTY-YEAR GENERAL MORTGAGE GOLD BONDS, Series "A", of

The Spanish River Pulp and Paper Mills, Limited

secured by Deed of Trust and Mortgage dated March 1st, 1921, made between The Spanish River Pulp and Paper Mills, Limited, of the First Part, and Montreal Trust Company as Trustee, of the Second Part:

NOTICE IS HEREBY GIVEN that The Spanish River Pulp and Paper Mills, Limited, will, in accordance with the provisions of the Deed of Trust and Mortgage above mentioned, redeem on the first day of May, 1928, at the office of the Trustee, Montreal Trust Company, 61 Yonge Street, in the City of Toronto, Canada, all the Twenty-Year General Mortgage Gold Bonds, Series "A", secured under said Deed of Trust and Mortgage, and now outstanding, by payment to the Holders thereof, upon presentation and surrender of their respective bonds, of the principal amount thereof with a premium of Six (6) per centum thereon and interest accrued to said date of redemption.

Holders of said Bonds are hereby required to present their Bonds with all unmatured coupons, including coupon number 15, due May 1st, 1928, attached thereto, at the office of said Trustee in Toronto for redemption on said 1st day of May, 1928, after which said date interest on the bonds will cease to accrue.

Dated at Toronto, the twenty-second day of February, A.D. 1928.

THE SPANISH RIVER PULP AND PAPER MILLS, LIMITED,
By order of the Board.

G. H. MEAD,
President.

J. G. GIBSON,
Secretary.

1-M.26

Best Speculative Operations in British Columbia Reviewed

CANADIAN MINING NEWS

Regular Weekly Department of The Financial Post

Say Canadians Now Control 35 Per Cent of "Nickel" Stock

Many Promising Speculations Among British Columbia Mines Attract Attention to Coast

Boom in Shares Has Enabled Many Struggling Operations to Raise Necessary Finances Practically Over-night

REVIEW OF EACH INDIVIDUAL OPERATION

By DAN E. CUSHING,
Mining Editor, The Financial Post

VANCOUVER.—The boom in mining shares in British Columbia has ushered in the greatest development in the mining industry that the province has ever experienced. Companies that have been trying to operate at different times over a period of years, have found their operation well financed overnight. Old properties that have been idle for many years have come back to life, while there have sprung up a large number of new operations, the majority of which are in good hands and are well sponsored.

The industry seems to be making solid progress. There are innumerable properties with good showings and encouraging developments, rapidly approaching the mine stage, while in various parts of the province there are numerous new mills getting under operation or being erected. The great bulk of the producers in the province, however, do not have mills, but ship their ore to smelters. It was recently estimated by Hon. W. H. Sutherland, minister of mines, that there are 126 properties in the province shipping ore at the present time. Majority of these are silver-lead or silver-lead-zinc or silver-zinc producers and Trail Smelter gets the major portion of their production.

Four subsidiaries of Consolidated Smelters, Coast Copper, Sunloch, George Copper and Big Missouri, have provided most of the market leadership in the present mining boom. Another leader has been Pend Oreille in which interests associated with Smelters are known to have a substantial holding. It is the Smelters connection that is playing an important part in the booming of these shares. Little information is in the hands of the public and Smelters has held quite aloof from the orgy of speculation that has been going on with its history and record as a background. Many believe that practically all of these issues have been overdone. This seems to be true at least of Sunloch, a property which has been idle since 1922 and which may not be operated until additional ground is acquired. In December last, the shares were selling around $1.50 and are now close to the $5 with absolutely no change in the position of the operation. It is said that this is one of the stocks that the "Kings of the illicit liquor trade" on the coast have been playing.

Coast Copper

All Coast Copper's 200,000 shares of $5 par are issued and the bulk of them are held by Consolidated Smelters. The property has been operated about 12 years, but is yet to produce. Smelters is providing the working capital and has advanced about $2,000,000 development funds to date. While some high grade copper ore, with a good gold content could be shipped direct to the smelter, a railway would be necessary first and later a concentrator will have to be erected. This means an expenditure of another considerable sum which must be repaid before shareholders will share in the profits. The property possesses a good deal of merit and developments have opened up shoots of excellent copper ore of good length.

George Copper

About seven per cent. of the 816,316 issued shares of George Copper is in the hands of the public and the balance is under option to Consolidated Smelters or is tied up. Smelters is exploring the property by diamond drill and is reported to have met with a fair measure of success. There is a feeling here that there is a substantial short interest in the stock and this has been a factor in putting the price up to $7.50, which level it achieved early in the month and later sagged back. The property has always been well regarded but is difficult to get at, it being back in from Stewart. The completion of the railway up Bear River Valley will help the operation materially.

Big Missouri

Big Missouri has been somewhat of a football, having been tackled by several groups, but none of them were sufficiently strong to really test out the property. It is now in the hands of Consolidated Smelters. Sir Donald Mann once held this property under option but dropped it on receiving an engineering report to the effect that the deposit was a thin blanket of ore. Since then it is claimed that this theory has been partially disproven. Smelters drilling during the coming summer will tell the true story. If the blanket deposit theory is disproven, then the conclusion would be that the property is one huge mountain of ore. There are engineers who believe that this is the case. There are 2,700,000 shares of Big Missouri outstanding out of 5,000,000 one dollar shares.

Pend Oreille

Pend Oreille was reviewed in last week's issue. It has $1,000,000 common and $400,000 7 per cent. preferred of $1 par. The property looms large and is at present being diamond drilled. In December the shares sold below $2 and have since sold considerably over $20 only to react to the present level below $18.

In regard to most of these issues in which Smelters is interested, the high prices were reached when Eastern buying entered the market and to-day the bulk of the high priced stock in all these issues, with perhaps the exception of George Copper is held in Eastern Canada.

Whitewater

Perhaps no section of the province is enjoying more of the new prosperity that has come to the mining industry than the Kootenays. There are more properties working in this section than has been the case in the last 15 years. Some groups that were abandoned as worked out have been resurrected because of new geological knowledge and bid fair to make new mines.

Whitewater is the outstanding success in the Kootenays. This property has been kicked out by several concerns until General Stewart, of Vancouver, got hold of it and under the guidance of Mayor "Billy" Burgess, of Kalso, has been proven to be a very large mine with ore much more deep seated than any deposit yet opened up in that section of the country. Thirty years ago the first work was done on the ground and several groups have taken heavy losses in trying to prove up a commercial deposit. To-day, Whitewater is referred to as the greatest mine ever found in the Slocan, and Mr. Burgess cut into ore which proved the mine by driving a short distance further on a long tunnel run by previous operators. It is estimated that above the present workings there is 15 years' supply of ore proven with still great possibilities at depth. The ore is of excellent grade and is being handled by a 175 ton mill. There are 1,100,000 shares of one dollar par outstanding.

Cork Province

Cork Province is another Slocan operation of merit. It is located not far from Kalso and has made a number of shipments of excellent grade ore to Trail Smelter. The mine has opened up well, having considerable milling ore as well as high grade proven and the mill is being remodeled. The company has 1,700,000 shares of 25 cents par outstanding.

Ruth Hope

Ruth Hope seems to have been overlooked by the speculators, as this operation in the hands of "Pat" Stewart, former general manager of Consolidated Smelters, looms in an attractive manner. The property adjoins the Silversmith in the Slocan. A small 50 ton mill is operating and is said to be showing a net profit of $500 a day. Engineers have expressed the opinion that this deposit will be found to be deep-seated and work to date is said to indicate that this is a fact. It is reported that Victoria Syndicate, Mond Nickel subsidiary, which is interested in Lucky Jim, has also had a hand in financing this operation. There are 1,325,000 dollar shares issued.

Lucky Jim

Lucky Jim is another well regarded Slocan property, control of which has been purchased by Mond Nickel's subsidiary, Victoria Syndicate. Considerable ore of fair grade has been proven and it is expected that in the near future that the 150 ton mill will be operating. The company has outstanding 3,000,000 shares of ten cents par value.

Kootenay Florence

Kootenay Florence is a decidedly interesting gamble. The company is running a long tunnel in to cut the downward extension of the ore bodies that were mined some years ago. Recently the adjoining Lake Shore ground was acquired and this will give the company a very large property if it is successful in proving the existence of the ore body at this lower horizon. The company is well financed and there is a 200 ton concentrator on the property that can be remodeled if this is necessary. There are 500,000 shares of 20 cents par value outstanding.

Enterprise Consolidated

Enterprise Consolidated is another Kootenay operation that is being partially financed in the east. It is a consolidation of Enterprise Mine, Yankee Girl, Ymir-Goodenough and Mother Lode and Selkirk. These are old mines that have been worked at various times and have a varied equipment. Some of the groups are regarded as having an excellent chance to make new ore. A large scale operation is being started immediately on Yankee Girl. It is the intention to erect a 100 ton mill on the Goodenough. The company is capitalized at $2,400,000 with shares of 20 cents par value.

Salmo-Malartic

Salmo-Malartic is operating in Quebec as well as British Columbia. Its holding in this province is in the Pend Oreille line belt and has considerable high grade gold-silver ore which is being developed and an intensive diamond drilling campaign is to be carried out with a view to locating new ore.

Premier

Portland Canal area has been boomed considerably of late. Stocks of this camp are popular with the public. The record of Premier has much to do with this. It is the outstanding dividend payer of the province, outside of Consolidated Smelters, and promises to materially lengthen its life by the acquisition of additional properties. One noted B. C. authority figured out recently that on its present ore reserves, Premier was worth $1 per share. This would not include surplus and over and above profit on known ore and surplus, would be the speculative value of the shares. Premier has acquired two new properties, Silverado and Prosperity and is now negotiating for Porter Idaho. These properties almost adjoin, each has very rich ore and can be worked from the same tunnels.

B.C. Silver

B. C. Silver adjoins the Premier group on the north. For some time negotiations for an amalgamation have been going on but the two interests have never been able to get down to a common basis of value. Considerable rich ore has been opened up on B. C. Silver, along what is thought to be a continuation of the Premier Ore zone. Premier

(Continued on page 24)

Substantial Gains by B. C. Leaders

Prices of Stocks in Market

	Dec. 22	Mar. 22
B. C. Silver	$1.27	$1.65
Big Missouri	.32	.57
Coast Copper	40.00	44.00
Cork Province	.03½	.47
George Copper	2.70	5.00
Kootenay Florence	..	.34
Lucky Jim	.29½	.41
Pend Oreille	1.27	17.50
Premier	2.30	2.60
Ruth Hope	.30	.61
Sunloch	1.52	4.35
Whitewater	1.45	2.75

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Base Metal Ore Bodies Indicated in Kirkland

Roche Group Has Shaft Down 50 Feet — Ben Nevis Has Mountain of Ore

An area of gossan beds 100 feet wide and a half a mile long has been opened up on a large hill in Ben Nevis section of Kirkland Lake, and this combined with the reports of high grade base metal ore being found on the adjoining Roche claims, has resulted in statements being made that there are possibilities of opening up ore bodies comparable to those of Sudbury and Northern Manitoba in size.

A long belt of magnesian lime has been uncovered and it is along the contact of this formation that the ore is being found. The Roche group has a shaft down 50 feet and values are high in lead, with 3 to 4 per cent. copper and good in gold and silver with some zinc.

Ben Nevis mines, which secured control of the large hill adjoining the Roche, has 720 acres, and the engineers' report says that the ore is similar to the Sherritt-Gordon in Northern Manitoba and the Sullivan of Consolidated Smelters in B.C. There are four important discoveries on the property.

Ontario Woman Lake Mines has purchased a block of 250,000 shares of the company's stock.

NEW COMPANY BUYS OUT KOZAK, IN SO. GOUDREAU

Nipissing Mines Once Had Property Under Option

Kozak Mines, Limited, has been organized to develop the Kozak group of eight claims approximately 320 acres located in South Goudreau, Ontario. This is the discovery that was staked by Nick Kozak in September, 1927, and which created a sensation at the time on account of the spectacular showings of gold, silver, lead and zinc reported to have been found on the property.

Considerable exploratory and development work has already been carried out. The vein has been stripped for 1,000 feet at the westerly end to where it dips into a lake, while the full length of the vein on the east end has not yet been determined.

Values obtained from channel sampling brought the following results: $6 over an average width of 60 feet, and $22.50 over 5 feet. One channel sample ran $63 in gold across an unstated width. In places the ore zone has been stripped over a width of 200 feet without determining its full extent.

Once Optioned for $300,000

The Kozak property has had an interesting career to date. Shortly after it was staked it was optioned by the Nipissing Mining Co. for $300,000 and a certain amount of surface work carried out. The terms of the option called for large cash payments, and Nipissing failing to secure easier terms dropped the property.

Subsequently the Timmins interests negotiated for the property but would not agree to pay the large initial cash payment demanded by the owner. Later the property passed into the hands of Norman Paxton, of New York, who turned it over to the present company in consideration of a substantial stock interest.

It is stated that the day after Kozak closed his agreement with Paxton, Montreal interests, unaware of the deal, made a substantial cash offer for the property.

Is North of Soo

The Kozak property is located in a very promising mineralized area, north of Sault Ste. Marie, and west of Sudbury. Among the leading mining developments of this section are Pioneer, McCarthy-Webb, and Cline Gold. Claims are also held by Hollinger and McIntyre. International Nickel has a large property on the strike of the vein to the west of Kozak, and the claims adjoining it on the east and also on the strike are held by the Towagamac Exploration, Co. Towagamac, after carrying out considerable work on its property is reported to have disclosed evidence of an ore body nearly a mile in length.

The Kozak property is well located as to power and transportation, as both the Algoma Power Co.'s lines and the main line of the Algoma Central and Hudson Bay Railroad traverse its property.

Kozak Mines has been capitalized at 3,000,000 shares of a par value of $1 each. Of this amount, 2,000,000 shares have been issued to acquire properties and provide the treasury with $50,000 for preliminary development work, leaving 1,000,000 shares in the treasury for future financing.

The company's plans of development call for the sinking of one or more shallow shafts about 50 feet in depth on the vein, the erection of camp buildings and the engaging of a leading geologist.

Clericy Denies Flaw in Its Sudbury Title

Clericy Consolidated Mines have adopted prompt measures to curb reports concerning their recently acquired holdings in the Sudbury district as will be seen from the following wire just received from the company.

"In view of malicious rumors which have been circulated to the effect that titles to Sudbury property of Clericy Consolidated Mines on west are not clear and that same are under litigation, the officers of the company desire to announce that a thorough recheck of all the titles has definitely established that there is no foundation in fact for such rumors.

"Steps have been taken to determine the source of this propaganda with a view to prosecution of the parties involved."

Central Manitoba Mines Operates Three Plants

Central Manitoba Mines has three complete mining plants operating. The original one on the Kitchener and two new electric plants on the Tene Six and the Rogers. The Tene shaft is three-quarters of a mile east of Kitchener and the Rogers a quarter mile south-east of the Tene.

Surface work on the Tene and Rogers indicated that the ore on the east end of the property was much richer than on the west, and it was decided to sink the two new shafts and open up these sections at depth.

Homestead Entries Heavier

Over 100 homesteads were filed on at the Peace River Dominion Land Office during the first two months of this year.

Premier Pays Million for P. Idaho Group

Premier Gold Mines is reported to have closed a deal on the Porter-Idaho group adjoining Silverado and Prosperity properties which it already owns. It is understood that the amount involved was around $1,000,000.

The three properties all have very rich showings and will be worked through the Silverado tunnel which enters from Portland Canal a few miles south of Stewart.

WINDFALL-ROUYN DRILLING DEFINES HEAVY SULPHIDES

Two Diamond Drills in Operation—May Buy in Sudbury

Windfall-Rouyn Mines, operating in the Rouyn area, is making good progress in defining the area of its sulphide ore body. Two diamond drills are in operation and every hole drilled to date is reported to have cut heavy sulphides, wide sections of which are massive.

A hole was started a few days ago, drilling south-west along the strike of the zone, in an attempt to locate a southwest extension. A quantity of high grade ore was taken out of a trench last fall and it is now believed that this may be a concentration in the same formation. If so, the length of the zone will be extended over five hundred feet. The objective of this hole is a point under the trench referred to.

The next hole laid out is to go to depth vertically through the massive sections cut by holes nine and fourteen. It will be the deepest diamond drill so far attempted on the property.

The trench shown in the accompanying cut is 15 feet deep at the centre, and shows a width of over 200 feet with chalcopyrite replacement occurring at a depth of five feet over the entire width.

Windfall is working out one of the most interesting situations in the district. Operations are in charge of F. M. Passow, A.R.S.M., late of Eustis Copper Company, and the Quebec Mines Dept.

The directors of Windfall were in Toronto last week and it is reported on good authority that Windfall has an important deal pending in Sudbury Basin.

JACKSON-MANION HAS EIGHTY MEN WORKING AT MINE

Shaft Now at 60 Feet Will be Put Down to 300 Feet

Work of shaft sinking at the Jackson-Manion Mines is progressing rapidly now that the new mining equipment has been put into operation. The shaft is now down to a depth of 60 feet and a crew of 80 men, working in three shifts are carrying the work forward at a rapid rate. All the necessary camp buildings have been completed.

The shaft is to be carried down to a depth of 300 feet. Stations will be cut at the 125 and 250 foot levels and cross-cuts run in to tap the downward extension of the vein.

A sawmill on the property provided all the necessary lumber for the camp buildings and some two thousand cords of wood have been cut for fuel for the boilers. A diamond drill has been ordered by the company and extensive diamond drilling is to be carried out as soon as conditions are deemed favorable. It is anticipated that the cross-cut at the 125 ft. level will intersect the vein at a point where drilling indicated rich ore.

Size-up Eldorado Mines When Drifting Starts

Information that should enable shareholders to size up the possibilities of Eldorado Mines, Central Manitoba, should be forthcoming in the next month or so. The shaft has reached its objective of 500 feet, and it is expected that drifting will soon be under way on both the 375 and 500-ft. levels. On the last report the vein had not been crosscut on these two levels. In sinking the shaft the company cut into the vein at 125 and 250-ft. and a gradual widening from surface was indicated, it being over 7 ft. at the 250-ft. horizon.

Premier Pays $400,000

The Premier Gold Mining Company has declared a regular quarterly dividend of $400,000, according to the announcement of H. A. Guess, vice-president, New York. The disbursement will be at the rate of 8 cents a share on the issue of five million shares. The property is near Stewart, B.C. The disbursement will increase the grand total of dividends to $12,150,947.

KIRKLAND LAKE'S PRODUCTION IN '27 WAS 52,600 TONS

Company Mill All Ore, Regardless of Values Contained

Kirkland Lake Gold Mines milled a total of 52,648 tons of ore, producing a net amount of $473,673 during the year ended Dec. 31, 1927. Expenditures for the year amounted to $360,142, and net working capital amounted to $246,270.

President D. B. Hanna in presenting the annual report, states that the operations during the year were satisfactory, having regard to the amount of development work done and the desire to send to the mill all the ore taken out of the exploratory drifts without definite regard to the value per ton.

No estimate of ore reserves is set out in the report. Thursday, March 29, is announced as the date of the annual meeting of the shareholders, the meeting to be held in Toronto.

The original capacity of the mill was about 100 tons per diem, but during the past year it has been running at the rate of approximately 150 tons, and with the exception that the tonnage of ore sent to the mill will be substantially increased in the near future, the directors have authorized the purchase of necessary additional equipment.

Expenditures and Development

Expenditure for exploration and development of the property, for twelve months ended Dec. 31, 1927, are shown at $341,249. Administration for a similar period at $18,893, with balance at Dec. 31, 1926, of $694,172, making a total of $1,054,315. After crediting bullion sales and other receipts to the amount of $474,587, the balance at $579,728 remains.

In submitting the report of the work done by the company for the year ended Dec. 31, 1927, J. B. Tyrrell, managing director, states as follows:

"The company is the owner of nine claims in the Kirkland Lake district, having an area of 362 acres, and at the present time is carrying on operations on one claim only. Development work during the year was as follows: Sinking, 405.95 feet; cross-cutting, 666.70 feet; drifting, 1,914.95 feet; station cutting, 41,342.00 cubic feet. The ore milled during the year amounted to 52,648 tons, producing bullion sales amounting to $473,673.02. The costs per ton during the year were as follows: Development and exploration, $1.60; mining and milling, $3.96; other expense, $1.28; a total of $6.84.

Sink Winze

"During the year 1927 the main shaft was sunk to a depth of 2,526 feet, or 57 feet below the 2,475 level, and at this level a crosscut was driven southward 400 feet, cutting the vein in the 'Main Break' at 250 feet. At the end of the crosscut a large chamber was cut out preparatory to sinking a four-compartment winze, the chamber being sufficiently large to accommodate two hoists headframes, and all the equipment necessary at the head of the winze. Sinking of the winze was then begun, and by the end of the year had been carried to a depth of 2,730 feet. A station was cut at 2,600 feet and a crosscut driven northward to the 'Main Break.'

"The syenite has been followed downward to the 2,600-foot level, where it forms the north wall of the vein as far west as we have yet gone. How much farther it will extend westward is yet to be determined. East and west of the main crosscut more than 300 feet of ore has been developed, and the face is still in good ore. The work done on this level shows that the vein is wider than at the level above, and that it is developing in a way that on the 'Main Break' in Kirkland Lake is particularly favorable to the occurrence of gold in substantial volume.

"During the year a new thousand-foot capacity air compressor was installed, which will give the mine a sufficient supply of air to carry on a larger campaign of development if necessary."

Profit and Loss

The profit and loss account shows balance Dec. 31, 1926, $184,382, with interest and rents paid amounting to $6,215, leaving a balance at Dec. 31, 1927, of $178,167. In the balance sheet among the assets mining claims and properties are given at $3,664,887, buildings, plant and equipment at $392,563, and development account at $579,728, making total capital assets of $4,637,178. Current assets are shown at $264,604, other assets $3,154, and balance of profit and loss account $178,167, making total assets of $5,083,106. On the liability side common shares issued $5,000,000, reserves for depreciation $62,916 and current liabilities $20,189.

The conversion of preferred shares into common shares was carried out during the year, with the result that the entire capital is now owned by the common shareholders.

During the year the number of directors was increased to nine by the election of Hume Cronyn, London; J. C. Haight, Waterloo; J. A. Dolton, Kingston, and Cyrus A. Birge, Oakville.

New Coast Exchange Seats Sell Higher

B. C. Stock Exchange, a new exchange organized by a number of business men and brokers in Vancouver, has started operations. Quarters were secured in the old Board of Trade building, a structure erected by a defunct trust company, and the layout of the new exchange compares quite favorably with that of the new quarters of Standard Stock Exchange, Toronto. The new exchange sold fifty seats, or rather sold five shares of stock to each of the original members at $100 a share, the subscribers receiving a seat with the five shares of stock. Since that time John MacLean, one of the organizers of the exchange sold his seat for $1,500.

The new exchange in adopting bylaws and regulations, have conformed with those in force on the Standard Exchange, Toronto.

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Kirkland Lake Finds "Calverite"

A find of "calverite" is reported to have been made on the lower levels of the Lake Shore Mine, Kirkland Lake. The find has aroused considerable interest in view of the fact that it is a gold telluride and seldom encountered in Ontario gold mines.

Calverite is usually associated with high grade ore, and is a very valuable ore in itself, containing silver as well as gold.

Rich ore is being opened up in development operations on Lake Shore's lower levels and it is reported that even richer ore is anticipated.

BOOM IN SHARES OF OIL COMPANIES AS WELL BLOWS

Dalhousie No. 1 Produces 20,000,000 cu. ft. of Wet Gas Daily

From Our Own Correspondent

CALGARY. — As forecast last week, Dalhousie No. 1 well in the Turner Valley, has proved itself to be a real "best bet." On March 12, this subsidiary of the Imperial Oils Limited, suddenly came back into production, after having been "frozen in" since the end of February, a flow of wet naphtha gas, measuring approximately 20,000,000 cubic feet a day being struck. This is practically on a par with the famous Royalite No. 4 which is producing more than 600 barrels of naphtha daily as well as about 18,000,000 feet of commercial gas.

This performance of the Dalhousie well has established the Turner Valley field beyond a doubt. Although there have been most promising indications there was only Royalite No. 4 for people to really pin their faith to and the public have always been inclined to the view that one well in so large an area did not by any means prove the Turner Valley field.

Encourage Illinois-Alberta

The significance of the Dalhousie strike is that it points to the fact that Royalite No. 4 is not a freak well, and it will encourage all the independent operators in that locality to continue their work even more vigorously than before. The McDougall-Segur for instance has valuable holdings just half a mile distant from Royalite No. 4 and Dalhousie No. 1. It will also encourage the Illinois-Alberta to proceed with all dispatch with the drilling of its No. 2 well, which is also within half a mile of Dalhousie No. 1.

The Spooner well, which last week was also mentioned as a "best bet," is in the vicinity of Dalhousie. As soon as nature re-asserts itself leading petroleum engineers here profess the firm belief that it will blow itself in just the same as Royalite and Dalhousie have done. Two years ago the McLeod well nearly became a great producer. Through the inexperience of those in charge a large quantity of liquid cement was pumped into the well in a frantic endeavor to stop the flow of gas. This sealed up the hole certainly more effectively than the drillers anticipated so much so that it killed the flow. The theory is that the liquid cement filled up fissures in the limestone rock altogether. Dalhousie No. 1 will benefit by that experience.

Another factor greatly in favor of Dalhousie is that the well has been finished with a diamond drill of the largest size made and it has an absolutely clear hole.

Boom in Oil Shares

More oil shares have been sold at the Calgary Stock Exchange during the past week than at any time in its history even including the so-called boom days in the spring of 1926. From 15,000 to 20,000 shares a day are now being handled by the Exchange.

Dalhousie No. 1 well, Turner Valley's new big producer of crude gasoline, has made a big increase on its initial production, the daily flow having jumped up to 19,000,000 cubic feet. It is believed that the new well will develop into as big a producer as Royalite No. 4. Dalhousie's initial output already equals the initial output of its world-famous rival.

SAY CANADA MAY CONTROL 1/3 OF NICKEL

Appointment of New Directors Re-organizes Buying Here

BIG MEN ADDED

Richardson is Prominent in Brokerage and Banking—McConnell is Allied With Holt Group

Two outstanding Canadian financiers, J. W. McConnell, of Montreal, and James A. Richardson, of Winnipeg, and a prominent British engineer, Lord Weir, of Glasgow, were added to the International Nickel Company's board of directors following the annual meeting at Bayonne, N.J., this week.

The appointment of the new directors would denote that Nickel is becoming international in fact, as well as in name. It also reflects the considerable accumulation of the company's stock by Canadian and British interests during the past year.

Reports have been current for some time that Canada now controls International Nickel, and that Montreal and Toronto, and not New York, will dictate its future market fluctuations. That a large block of stock has been accumulating in Canadian hands is undoubtedly true, but that control has passed to the dominion, is wide of the mark.

Say Canada Owns 35 Per Cent.

The Financial Post has been reliably informed that Canadian holdings of the stock at the present time approximate 35 per cent. This would appear to be well borne out by the board of directors as presently constituted, as of the fifteen directors, Canada with the recent appointment of Messrs. McConnell and Richardson, now has a representation of four, as compared to a previous representation of two, or if Lord Weir be included, is now represented by five directors.

Of the three new directors, J. W. McConnell represents large financial interests in Montreal closely allied with the Holt group. James A. Richardson is prominent in grain, banking and brokerage circles in the West; and Lord Weir, is an internationally known engineer, and a large distributor of monel metal in Britain and Europe. Lord Weir's appointment is taken by some to indicate an approaching amalgamation of the interests of Mond Nickel with International, a suggestion which was widely circulated some little time ago.

1928 Board in Full

International Nickel Company's board of directors for 1928 follows: Charles Hayden, chairman of the board, New York; Robert C. Stanley, president, New York; James L. Ashley, vice-president, secretary and treasurer, New York. Directors: J. L. Agnew, Copper Cliff, Ont.; W. W. Mein, San Francisco; Thomas Morrison, Pittsburgh; Britton Osler, Toronto; Reg. Halladay, Creskill, N.J.; W. J. Hutchinson, and Seward Prosser, both of Englewood, N.J.; Andrew V. Stout, New York; William E. Corey, William H. Cromwell, John Foster Dulles, all of New York, William T. Graham, Greenwich, Conn.; J. W. McConnell, Montreal; James A. Richardson, Winnipeg, and Lord Weir, P.C., of Eastwood and Glasgow.

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of our services to Canadian security investors enables us to specialize in the listed and unlisted mining stocks of British Columbia and Manitoba, and the Turner Valley oil stocks of Alberta.
In addition to operating three seats on the Standard Stock and Mining Exchange, we are members of the Vancouver and Calgary Stock Exchanges.
We shall shortly have a direct private wire from Toronto to Vancouver with offices in Winnipeg, Calgary and Vancouver. Later, offices will be opened in Regina and Edmonton. All our boardrooms are staffed with experienced mining men and we maintain active field scouts in all the Canadian mining districts.
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SUDBURY BASIN DRILLS TAPPED EXCELLENT ORE

Analysis of Assays Reveals High Values in Copper-Zinc

Sudbury Basin Mines diamond drills have cut four sections of ore of good width showing values at the ruling base metal prices of $28.16, $17.98, $11.88 and $15.10 gross. High zinc and copper values, with an attractive precious metal content and low in lead are shown in the official statement issued by the company following a directors meeting.

All doubt as to the acquisition of the ground adjoining Sudbury Basin on the south and into which it was found their ore dipped is removed by the statement. The company was successful in purchasing it from Yukon-Treadwell. The details of the purchase are not revealed.

The statement says in this regard:

A study of the intersections from recent drilling in the Vermilion Lake area disclosed that an important body of ore, which outcropped on our property, was dipping into ground not owned by this company and a portion of it would lie outside of the boundaries of our claims. The directors are pleased to state that negotiations, immediately commenced, have resulted in Sudbury Basin Mines Ltd. acquiring title to this ground.

An active campaign of development work has been started in which four drills will be employed, two in searching along the line of formation indicated as favorable by the electrical survey and two exploring the ore body already found.

Camps and equipment will be established at once, and it is anticipated that shaft sinking and underground development will be decided upon shortly.

In regard the drill results, the values and widths of ore cut are given as follows:

No. 6. 30 ft. assaying $2.05 gold and silver; 6.12 per cent. copper; 0.4 per cent. lead; 7.5 per cent. zinc.

No. 7. 27 ft. assaying $1.72 gold and silver; 2.83 per cent. copper; 1.2 per cent. lead; 6.7 per cent. zinc.

No. 8. (1st section) 22 ft. assaying $1.30 gold and silver; 1.66 per cent. copper; 0.3 per cent. lead; 5.0 per cent. zinc.

(2nd section) 41½ ft. assaying $1.60 gold and silver; 1.80 per cent. copper; allow Page-Hersey to expand its 0.8 per cent. lead; 6.7 per cent. zinc.

These work out at the present base metal prices, copper 14c., lead 6c., zinc 5.60c., as follows:

No. 6—	Content	Lbs.	Value
Gold-silver	$2.05	...	$2.05
Copper, %	6.12	122	17.08
Lead, %	0.4	8	.48
Zinc, %	7.5	150	8.55
			$28.16

No. 7—	Content	Lbs.	Value
Gold-silver	....	...	$1.72
Copper, %	2.83	56.6	7.92
Lead, %	1.2	14	.84
Zinc, %	6.7	134	7.50
			$17.98

No. 8, 2nd—	Content	Lbs.	Value
Gold-silver	....	...	$1.60
Copper, %	1.80	36	5.04
Lead, %	0.8	16	.96
Zinc, %	6.7	134	7.50
			$15.10

No. 8—	Content	Lbs.	Value
Gold-silver	....	...	$1.30
Copper, %	1.66	33	4.62
Lead, %	0.3	6	.36
Zinc, %	5.	100	5.60
			$11.88

The directors announce that four diamond drills are to be employed in pushing the exploratory campaign, two in further testing out the proven ore body and two in following up electrical survey indications. Underground development will also be undertaken.

Good progress is also being made on the company's other holdings. The balance of the statement reads:

Encouraging results are being obtained on the company's White River Lead property where trenching and pit sinking have uncovered additional lead and copper ore of good grade.

Shaft sinking at the Cheney property has been completed to one hundred and fifty feet, from which point a crosscut will be driven and drifts extended on the vein.

At the company's Shebandowan property camps have been established and two diamond drills have started.

It is the intention of the board to give out statements periodically, advising shareholders through the press of progress and development on the various active holdings of the company.

Rouyn Lake Map Ready; Was Made by Airplane

The Rouyn Lake Map sheet of the National Topographical series, now released for distribution by the Topographical Survey of Canada, is an example of a map compiled from aerial surveys, and illustrates once again the valuable assistance rendered by the aeroplane in mapping regions difficult to cover by ordinary ground methods. This new map sheet embraces an area of nearly 35 miles in a north and south direction and extending approximately 50 miles east from Rouyn. It is a companion map to the Rouyn-Larder Lake sheet which was issued a few months ago.

For the most part the tract is covered with lakes and innumerable branching waterways. It is seamed with low wooded ridges, and muskegs or "moss swamps" are numerous in all but the agricultural area in the north-east.

The agricultural area in the vicinity of La Motte lake embraces roughly 10 per cent. of the sheet. The remainder, which is in the mineral belt area, has been partially prospected and developed. The lakes and a network of streams are the chief avenues for transportation on the southerly half of the territory. On the northerly portion there is railway, road and steamboat connection with the Canadian National Railways Transcontinental main line from Quebec to Winnipeg which runs through the country immediately outside of the sheet on the north.

Cold Lake Acquires Claims Next Sherritt

Cold Lake mines loom large on the Northern Manitoba horizon, because of having added a very substantial acreage to its already large holdings adjoining Sherritt-Gordon on the west. The company has one claim in close proximity to Sherritt's latest diamond drill hole. It was this latter hole that lead Sherritt-Gordon to acquire an old claim that lay adjacent to the Cold Lake claim on the east and cut into the Sherritt line. The additional ground acquired by Cold Lake sets in between the claims in question, Sherritt-Gordon and the west claims of Cold Lake. This gives the company somewhere around 700 acres.

A diamond drill has reached The Pas on its way into the property and a large mining plant has been shipped, including 125 h.p. boiler, 10 x 12 hoist, 5 drill compressor and drills.

Ankerite Carries on Drilling

Ankerite Gold Mines is diamond drilling on the 600-ft. level for the purpose of ascertaining further particulars regarding No. 1 vein. The mill is treating some 200 tons of ore a day which is being taken from the No. 1 and No. 5 veins.

Developing Quebec Group

Windfall-Rouyn property adjoining Harvie Mining in Clericy Twp., Northwestern Quebec. The above picture shows a deep open cut which was driven on one of the veins. Details are found in a story appearing elsewhere in this section.

Stake Glaciers in Rush to Portland Canal Area

A wild staking rush, much the same as is going on in Sudbury and Northern Manitoba, is going on in Portland Canal area of British Columbia. Properties in the camp are in strong demand and everything points to a real boom in the area this summer. The value of properties has gone up very materially. Prospectors have been doing a great deal of snow staking and practically all the available ground right up to the Bear River Glacier edges as well as underneath and on the slides has been taken up.

Portland Canal has had heavy snow-falls this winter and the average depth is 4 or 5 ft. but this has not deterred the seekers of open ground.

Gold Output Down Because of Disaster

February gold production in Ontario totaled $2,403,991 compared with $2,478,065 for the same month of 1927. Porcupine's output was substantially lower, due to the Hollinger shut-down following the fire which snuffed out the lives of 39 miners. The Hollinger Mill was shut down for seven days. Kirkland Lake's output shows a substantial increase over the previous year's figures. The figures follow:

	Tons	Value
Porcupine		
Year 1927	3,488,997	$24,052,073
Aver. per month	290,750	2,004,339
Jan., 1927	292,484	1,926,908
Jan., 1928	294,343	1,956,969
Feb., 1927	265,559	1,885,833
Feb., 1928	213,343	1,439,161
Kirkland Lake		
Year 1927	797,581	9,704,430
Aver. per month	66,465	808,703
Jan., 1927	50,696	600,354
Jan., 1928	80,264	1,005,886
Feb., 1927	50,103	592,230
Feb., 1928	82,224	964,830
Both Camps		
Year 1927	4,286,578	33,756,503
Aver. per month	357,215	2,813,042
Jan., 1927	343,180	2,527,262
Jan., 1928	374,607	2,962,855
Feb., 1927	315,662	2,478,063
Feb., 1928	295,567	2,403,991

Moffatt-Hall Assays Available in Few Days

Moffatt-Hall is reported to have obtained encouraging drill cores in the third hole sunk on its property. Although assay results will not be available for a few days. No. 4 hole has been commenced 400 feet to the west.

In view of the encouraging results obtained from drilling to date, the company has let a contract for an additional 3,000 feet. Two drills will be used, one operating on the northern section of the property and the other on the south.

Red Lake Gold Plant Shipped to Property

Red Lake Gold Shore Mines, operating in Red Lake, are rushing in a complete mining plant with a view of pushing the development of their holdings adjacent to Howey property. The plant consists of Ingersoll-Rand 7-drill steam driven compressor; locomotive boilers; "SSR" steam hoist; "Cameron" pumps; "Leyner" drill steel sharpener, and "Rand" combination drifters and sinkers.

This plant is similar in capacity to those which were used in developing such well-known producing mines as Lake Shore and Wright-Hargreaves, and properties such as Bidgood, Malartic and others that loom up as future producers.

Red Lake Gold Shore Mines is in a favorable position, and their activities combined with those of Howey, Smith Morrison and Jackson-Manion, should assist materially in building up the Northwestern Ontario field.

Inverness Mines Options Property Near Kozak

Inverness Mines Limited are reported to have entered the South Goudrea Field and to have optioned a block of claims adjacent to the well known Kozak discovery. The property consists of 240 acres and is the second group of claims from the property on which the big silver-gold discovery was made last summer and which is now being operated by Kozak Mines, Limited. Inverness Mines, Limited, also has properties in Kirkland Lake and West Shining Tree districts, as well as substantial interests in a big block of claims in the Narrow-Woman Lake section of Patricia district.

Work on the South Gondreau claims, it is reported, will be proceeded with shortly.

Toronto Group to Drill

A deal has been closed for the drilling of a test well by a Toronto group on an entirely new structure located in the Chin district, north of Conrad and southeast of Coaldale, Alberta, according to a report from Lethbridge. This structure was blanketed last summer by G. M. Cormie and associates, of Vancouver, and is favorably looked upon by experienced oil men. It appears to be the northern extension of the Skiff field, the geological report disclosing very favorable conditions for the entrapping of oil. While details of the agreement are lacking, it is understood that a drill will be moved to location next month.

Three Groups Seek Control of Abana

Abana Mines will hold its annual meeting in Montreal next Saturday. Unusual interest is attached to the meeting in view of the fact that three different interests are seeking proxies.

The Abana property is one of the most promising in the Quebec field, latest reports indicate that the ore body has been opening up well, and it is generally believed that Abana promises to be one of the biggest of the base metal mines of Quebec.

The breaking of the pool has had a somewhat depressing effect on the stock, and this has been reflected in a downward trend in prices, but it is anticipated that the stock will firm after the annual meeting when future plans of development will be decided by the incoming board of directors.

All three groups now striving for control are heavily interested in the property.

Good Ore Revealed Drilling Marriott

Marriott Mines, in Northeast Quebec, has started its 19th hole. The latest drilling is from McDiarmid Lake. Previous drilling having determined the dip of the formation, the last five holes have located well defined zones of mineralization, showing chalcopyrite in all cases in sections of from five to fifteen feet in width which are sharply defined, and which, in the opinion of Mgr. Stitt, should develop ore of equal grade to that showing in the surface outcrop. This latter has been traced to a depth exceeding 400 ft. cutting it also at intermediate levels, so that the manager knows exactly how it lies, thus eliminating guess work in underground development.

Mining Company Buys a Second Aeroplane

Manitoba Basin Mines has purchased a second aeroplane, a five-passenger cabin type of steel construction. The first plane is on its way to The Pas, and the new one will follow soon. The company purchased Eastern Airways charter, and can carry passengers and freight for others as well as handling its own business. The company holds several important groups of properties.

Sherritt Gordon Report May be Forthcoming

It is rumored about the street that Jack Rogers' report on Sherritt-Gordon will soon be available for the public. It is expected to indicate a property of much greater magnitude than the Sherritt is generally believed to be.

Lindsleys Seek Rights in Ft. Churchill Area

Col. C. H. D. McAlpine, Toronto, representing the Lindsley group, has asked Ottawa to grant the right to explore and prospect an area of 5,000 sq. miles north and west of Fort Churchill. Exclusive rights in the section for three years are asked.

Lindsley interests have come rapidly to the front in Canadian mining, and are to-day regarded as the largest and most substantial interest carrying on operations in the Dominion. They control Sherritt-Gordon, Sudbury Basin, McDougall, Bedford, Malartic and Osisko Lake mines.

Two Standard Seats Are Sold for $90,000

A bid of $100,000 has been made for a Standard Stock Exchange seat. This follows the sale of two seats at $90,000. J. A. McCausland sold to D. S. Paterson, which gives the latter three seats, and D. Larsh sold to Wright-Wilson & Austin, a new firm.

Placer Possibilities Attracting Attention

Interest in placer mining is being revived in British Columbia, especially on Cedar Creek and Tulameen River. Bridge River also in British Columbia, and Macleod River, in Alberta, are also being tested out and will be marked by substantial operations this year.

Very high platinum values have been secured in Cedar Creek and Tulameen River, and some good work will be done this spring. Tulameen gold and platinum has had much of the water squeezed out of the promotion and work is to be pushed under capable management.

HEDLEY WILL RESUME

Hedley Gold Mines, British Columbia's only gold mine, will resume operations immediately after a winter's shut-down.

IF BARRY FINDS ORE AT DEPTH, 'TIS BIG MINE

Engineers Who Have Visited Property Greatly Impressed

Barry-Hollinger's outlook never looked more promising than it does at the present moment according to engineers who have recently visited the property. The three-compartment winze, which is now being sunk, will reach the 1,125-foot level within a couple of weeks and a short crosscut should intersect the downward continuation of the ore. The opinion of the management, who have made a thorough study of the new conditions in this part of the mine, is that there is little doubt that they will be successful. If they are correct, the Barry-Hollinger will at once step into the class of the important mines of the North. The treasury of the company is in good shape, having, in addition to $100,000 in cash, 500,000 shares unissued. The present mill, with its tonnage of 100 tons a day, is paying all operating charges. The management have given considerable thought to future plans for increasing the mining as well as the milling plant, and as soon as they are assured that the favorable formation is obtained on the lower levels steps will be taken to put the property in shape for bigger tonnages.

If Barry-Hollinger succeeds in obtaining commercial ore at depth it is very probable that it will duplicate the performance of some of the big producers in the north.

Some Not Successful Above

The fact is well known that some of the big producers were not very successful on the upper levels, but that at certain depths conditions seemed to stabilize, and the ground, instead of being broken up and thus diluting values in the veins, showed better formation for ore deposition. The Barry-Hollinger, according to engineers, seems to have such a line slightly below the 800-foot level. Above it the values did not persist for any great lengths or widths. On the 800-foot level, however, as is now well known, a small shoot farther east than anything on the upper levels was encountered. The character of the ore, not only in the grade, but in the physical structure and mineral composition, was entirely different from anything found above. Calcite, which was so characteristic of the upper levels, was almost entirely lacking in this new ore. On the 1,000-foot level the downward continuation of this body was cut and on this level it was of exceedingly good grade and width. The entire length here was 170 feet and the grade ran better than $15. Stoping operations upward proved that the grade did not diminish and that it connected with the 800-foot level.

Bathurst Mines Will Have Mill in Operation by May

Bathurst Mines will have its mining plant, including a one-stamp Tremaine mill, in full operation by May 1, according to the announcement of President T. W. Bathurst, who has just returned from the property.

If Bathurst succeeds in doing this it will win the honor of being the first mine equipped in the Patricia district.

Equipment and supplies weighing 110 tons have been delivered at the mine, 140 miles north of Hudson, being hauled in one train by four tractors to Gold Pines and thence to the mine in smaller lots. Complete camp accommodations, including bunkhouses, cookhouse, office, stables, etc., have already been provided and the foundations are ready for the boilers in the hoist house. A force of thirty men is now employed, and as soon as the machinery is in place shaft sinking on No. 3 vein will be commenced. The shaft will be pushed to the 250-foot level as speedily as possible and stations cut at the 125 and 250-foot levels. At the latter a cross-cut will be run 400 feet to the famous "Golden Sidewalk" showing, which lies at lower elevation, and will be intersected at about 75 feet from the surface.

Gordon Lebel is Latest in Kirkland Lake Camp

Gordon-Lebel Mines Limited is the latest mining operation to join the rapidly growing family in the eastern section of the Kirkland Lake camp.

Gordon-Lebel mines adjoin Bidgood on the east and Moffatt-Hall on the north. The company is capitalized at 3,000,000 shares of $1 par value, with 2,000,000 shares of treasury stock, which has been optioned to net the company $1,000,000 in cash. The financing is being undertaken by Wm. C. Brent and Company, who acted in the same capacity for Moffatt-Hall. It is announced that Percy Hopkins will be consulting engineer of the company.

Gold Hill Will Change Some of Its By-laws

The annual meeting of Gold Hill Mines, Limited, is to be held at Haileybury on March 31st, according to notices sent to the shareholders. Aside from routine business, several changes in the by-laws are to be considered. The first is in respect to the transfer of shares of the company and the execution of stock certificates; the second provides for the holding of meetings of the directors and shareholders at places other than the head office; the third amends by-law No. 1 and fixes and declares the quorum required at all meetings of shareholders, and the last regulates the time at which the annual meeting will be held in each year. The financial statement and the directors report will be presented at the meeting.

Gold Hill Mines has intersected its No. 3 vein by a cross-cut 280 feet north of the No. 2 vein, according to a report just issued by the company. The No. 3 vein was cut by diamond drills last January and since that time the company has been engaged in cross-cutting to it, on the 800 foot level.

BUNKER HILL PROFITS

Bunker Hill and Sullivan Mining and Concentration Co. reports for year ended December 31, 1927, net income of $2,658,906 after depletion and Federal taxes, equivalent after 6 per cent. preferred dividends to $7.97 a share (par $10) earned on 327,000 shares of common stock. This compares with $3,157,301, or $9.53 a share in 1926.

$30 ORE ON MURPHY

Three feet of $30 ore are reported to have been cut in the third diamond drill hole being sunk on the property of Murphy Mines in the eastern section of the Kirkland Lake camp. The Murphy adjoins the Ritchie to the northwest.

FEDERAL AT 600 FEET

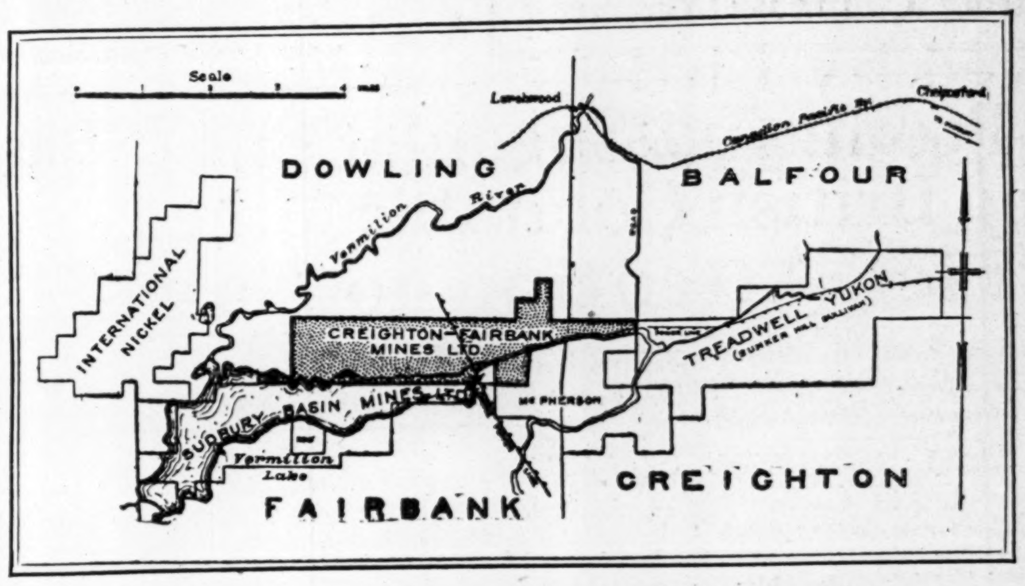
Federal Kirkland Mines has completed the sinking of its three-compartment shaft to the 600 foot level. The development work has entered a very interesting stage in view of the fact that the porphyry had begun to develop a very favorable appearance, indicating that the favorable horizon had been reached for lateral exploration, which will be commenced at the 700-foot level.

Some new fracturing showing considerable quartz in the porphyry had been encountered, but as the company is concentrating on the completion of its shaft no exploration will be permitted to interrupt this process until the objective has been reached.

Vipond Stock Stronger on News of Good Strike

The promising strike made by Vipond on the 500 foot level this week has been reflected in the revived market interest in the stocks and trading has been heavy.

The latest reports indicate that the discovery made may be quite important. A width of twelve feet had been cut up to recently and the wall on the far side of the vein had not yet been reached. For this reason it had not been possible to determine the strike and, therefore, the width directly across was not known. Several high-grade sections were encountered and the average grade across the twelve feet was about $15 to the ton. The discovery was the result of crosscutting operations toward a favorable zone indicated by diamond drilling some little time ago. This was the only hole put in in the immediate vicinity, so that officials have no knowledge as to the extent of the body. It is their intention, it is said, to attempt to find its extensions on the 400 and 600-foot levels after enough drifting has been done at the 500 to determine the dip and the strike.



To those Brokerage Houses

Entrusted with the

Mining Investments of the People

IN the course of a few days an initial issue of One Million Shares of the treasury stock of Creighton-Fairbank Mines Limited in the Sudbury Basin will be offered to the Canadian investment public.

The company owns or has under option more than 3,000 acres lying west of, and adjoining Treadwell-Yukon and also adjoining Sudbury Basin Mines on the east and on the north. The properties include the entire bed of the Vermilion River from the Bunker Hill and Sullivan boundary to the easterly boundary of Sudbury Basin Mines. The holdings also embrace a considerable part of the bed of Vermilion Lake adjoining the northerly lake boundary of Sudbury Basin Mines and a large area north of the lake and river. **The frontage of the company's holdings along the "break" is approximately six miles in length.**

On the authority of engineers and geologists who have examined the properties, Creighton-Fairbank Mines Limited is conceded to have a place of first importance among the prospects in the Sudbury Basin area. This company has in its possession the records of diamond drilling carried on in the Vermilion River and adjoining properties. *One of these drill holes shows 192 feet of ore under the river bed with an average value of $10.90 in lead, zinc and copper.* Other drill cores show mineralization along the "break" in which the ores of the Sudbury Basin area are found.

The cutting of substantial ore bodies on the property of Sudbury Basin Mines to the west within the last few months has been of vital importance, as Sudbury Basin Mines apparently are along the same formation as the ore cut in the river bed on Creighton-Fairbank property.

A contract for further drilling was let on March 12th, and drilling operations are to be commenced as soon as possible. The first drill is to start at once, the second drill on March 26th, and other drills as fast as they can be set up. The drilling is under the direction of Oscar Smith, vice-president of Creighton-Fairbank Mines Limited.

The company regards itself as fortunate in having as its president, Mr. A. A. Holland, B.Sc., M.A.I.M.E., of New York and Toronto, a Canadian engineer who has had a successful and profitable career in South America.

Louis D. Huntoon, whose reputation is widely known, is acting as advisory engineer and geologist for those interested in the property.

The company's holdings and plan of operation will be fully described in subsequent advertisements and by circular. This literature will set forth in detail the properties, their geology and the ore encountered.

Attention will also be drawn to the fact that while this company owns or controls properties of outstanding promise, with one large ore body indicated, the shares must be regarded as speculative until more ore resources have been shown by diamond drilling. At the same time there is an obvious possibility of developing one of the most important base metal mines in Canada.

If the advertising of the company draws attention to the success met with by Treadwell-Yukon and Sudbury Basin Mines, it will be to show the possibilities of the district and not to trade on the reputation of the proved properties or the outstanding men whose courage and mining genius have made great wealth appear from ground that heretofore has carried a low valuation as farming land, and have also added largely to the material resources of Canada.

Ninety per cent. of the total proceeds of the forthcoming issue of Creighton-Fairbank shares will go to the treasury of the company. When the sale of this issue of One Million Shares has been completed, there will be $900,000 in the treasury of the company.

Those who organized the company and consolidated the numerous groups of properties included therein decided that a minimum amount would be expended on commissions and sales expense, and that the maximum amount would be spent for properties and development. The organizers have paid down substantial sums for properties, for diamond drilling and engineering and legal fees.

Every brokerage and financial house desiring to do so can communicate with the undersigned and arrange for the underwriting of a portion of the offering of One Million Shares on a basis of 10 per cent. commission. Subscriptions will be filled in the order in which they are received.

We believe that many brokers and investment houses will agree with our proposal that 10 per cent. is a fair selling commission and that every possible dollar should go to the treasury of the company if Canadian mining is to continue to advance in public confidence.

A large number of advance applications have been received for blocks of the shares of Creighton-Fairbank Mines Limited, but no shares are to be sold until the date of the issue is officially announced.

The undersigned, as underwriter of the issue, invites the co-operation of brokerage and financial houses in the sale of the shares. No salesmen will be employed by the company or the underwriter.

By utilizing the power of newspaper advertising and by inviting the assistance of brokers who stand behind a constructive policy for Canadian mining, we are confident that another promising base metal development will be provided with the sinews of operation.

All contracts, options and agreements of the company may be examined at the office of the undersigned.

Enquiries may be addressed to

Edward Irving

Fiscal Agent for

CREIGHTON-FAIRBANK MINES LIMITED
IN THE HEART OF SUDBURY BASIN
(No personal liability)

1514 Metropolitan Building Elgin 9783 Toronto, Ont.

B.C. Stock Boom Marked by Little Marginal Trading

New Issues Eagerly Snapped Up When Offered Public

By Staff Editor

VANCOUVER.—Mining speculation in British Columbia, while somewhat of the hectic variety, has the saving grace that there is very little marginal trading and that the bulk of the operations have a great deal of merit. It is true that some issues are selling at what may be regarded as away above their intrinsic value, but on the other hand, there are others that seem to be out of line with their true position. Some of the Kootenays seem to be in this latter position, while some of Consolidated Smelters subsidiary operations seem to be in the former unfortunate position.

British Columbia has not had much wild-catting, although there is apparently a tendency that way. This was indicated by the appearance of a host of new issues on properties on which no work whatever had been done and of which very little was known, other than location. Stocks generally have moved up to fairly high levels. Some new issues of considerable merit which made their appearance soon showed holders two to five hundred per cent. profit. The public as a result, looked for other issues that would do the same and new offerings have been quickly over subscribed. Such a situation could not continue long without attracting the wild catter, and these are now making their appearance in British Columbia. How far they will get depends upon the gullibility of the public and the size of their purse.

Mining Benefits

From a mining point of view the boom in shares has had far-reaching effect. The industry on the coast has suffered from lack of working capital for a considerable time. Operations of merit, which have lived a hand-to-mouth existence over a period of years, all the time trying to induce capital to come to their assistance, have found their operation fully financed over night with the cost of raising funds practically negligible. This in turn induced companies with good properties to get busy, with the result that there are more real solid mining operations going on in the province, than at any time in at least 15 years.

Kootenays Neglected

Kootenays and Portland Canal have been the two favored areas. There has been a tendency to overboom Portland Canal issues while some of the Kootenays have been overlooked. The Smithers section along the C.N.R. Prince Rupert branch is now claiming a share of attention.

How long the B.C. boom will continue is hard to tell. Some thought that the Vancouver people would soon buy themselves out as did the Calgary people in oil stocks, but Spokane and Seattle speculators have developed as heavy buyers and this has materially broadened the market. Besides California funds are showing considerable interest.

DUPARQUET ROUYN TO WORK 14 CLAIMS

Company is Incorporated to Explore Properties in Duparquet Township

Duparquet Rouyn Mines, Ltd., has been incorporated to take over the property of the Duparquet Copper Syndicate. This property consists of ten claims located in the Township of Duparquet, Que. The company has also acquired four additional claims tying on to the original group. J. G. Sipprell, M.E., in submitting a report on the property to the company, states that the formation is decidedly favorable to ore deposition. He also states that the property may be considered as a prospect of merit considerably above the ordinary and likely to contain ore in economic quantities and values.

A mineralized belt showing rusted surface, and containing chalcopyrite in various widths and grades, has been traced across an entire claim. Assays taken along the belt are reported to show from $1.50 to $3 per ton in gold. Surface work carried out to date included stripping, cross-trenching, and the sinking of test pits. One showing examined consisted of chalcopyrite and pyrite intermixed with rhyolite and sericite and schist. This showing was low grade and the chalcopyrite showed in places over a width of 25 feet.

The property is reported to be on a mineralized sheared zone, 100 feet wide and running the entire length of the property. On various cross trenches channel assays have been taken and the results obtained have been such as to lead to the opinion that should commercial quantities be proven, a mine of importance may be anticipated. Three different mining engineers have expressed the opinion that if the work is carried to depth commercial ore will likely be found. Camps have been built, a considerable amount of prospecting and surface work done, and a three mile road cut connecting the property with the Makamik Road, the main highway between Makamik and Rouyn.

The company is capitalized at 3,000,000 shares of no par value, 1,000,000 shares were issued for the property and an issue is now being made of 1,100,000 shares leaving 900,000 shares in the treasury. It has been estimated that the present issue will net the company some $150,000 which will provide sufficient money to bring the property to the production stage.

The officers and directors of the company are: president, Percy Luscombe; vice-president, S. L. Russell; directors, A. C. Pyke, Toronto; C. M. Cotton, Montreal; Murdock C. Mosher, Cobalt; J. L. Barette, secretary-treasurer.

J. G. Sipprell, B.A., B.Sc., has been retained as mining engineer for the company.

Gilbec Mines Reports Mineralization is Present

Gilbec Mines, according to the progress report of Douglas A. Mutch, M.E., carried out some 493 feet of trenching, averaging five feet wide and three feet deep, and 180 feet of rock-drilling, during the past month. The erection of new camps is now under way.

Mr. Mutch states that considerable disseminated chalcopyrite was found in No. 10 trench, and three zones of chalcopyrite were uncovered in trench No. 9. Work on the north section of the property has shown a zone of mineralization close to a diabase intrusive.

Dunlop Diamond Drills Property Near Errington

Dunlop Consolidated Mines has started diamond drilling on its property adjoining the Errington Mine in the Sudbury district. It is also engaged in diamond drilling on its property in Montbray Township, Quebec, and the first hole is now down over 300 feet. Only moderately encouraging results have been obtained to date, as although sulphides, chalcopyrite and sylvanite have been encountered, the deposits have been patchy.

Pre-Cambrian Holdings Plans More Development

From Our Own Correspondent

MONTREAL. — Pre-Cambrian Holdings, Limited, is planning extensive developments on its properties in Cadillac and Malartic Townships. This company, which owns over three thousand acres in this area, is managed by Canadian Enterprises, Limited, has ample capital, and will start work immediately the snow is off the ground. It is reported that approximately $50,000 to date has been spent in developing the property; interesting showings have been obtained on the surface and in the test pits. A diamond drilling program has been planned and will be started after the spring break-up.

Bell Woman Lake Mines Takes Up Syndicate Property

The Bell Woman Lake Mines Co. has been organized as a holding company to take over the property of the Bell Woman Lake Syndicate. This consists of a group of three properties in the Woman Narrow Lake district.

Group No. 1 consists of three claims adjoining the Jackson-Manion property on the west. Group No. 2 consists of six claims and adjoins the Jackson-Manion on the east. Group No. 3 is located at the Woman-Narrow Lake Portage.

Considerable surface exploration was carried out on the three properties last year and favorable values found. Further work will be undertaken this year as soon as the snow is off the ground and conditions are favorable.

The new company is to be capitalized at $100,000. It is probable that the properties will be developed to the stage where offers for their acquisition by an operating company will be considered.

Form East Bay Mines; Acquire Red Lake Gold

Red Lake Gold Fields has sold its western group of 19 claims adjoining the Smith-Morrison property to a new company, the East Bay Mines of Red Lake Limited. The vendors received 1,000,000 shares of the new company for the property. East Bay Mines has been capitalized at 3,000,000 shares.

Red Lake Gold Fields still retains its eastern group of 15 claims, where surface exploration work is being carried on. If sufficiently satisfactory results are obtained a company will be formed to operate it. The work is being carried out under the direction of Joseph Beaumont. The directors of the East Bay Company are Charles G. Knott, president; F. L. M. Chaplin, Montreal, vice-president; A. Donald, Hamilton, William Newman, M.P.P., and W. T. McClain.

Anglo-Sudbury Takes Over Three Sudbury Area Groups

The Anglo-Sudbury Mines, Limited, has been incorporated to develop three groups of claims situated in Cunningham, Fawcett and MacMurphy Townships, in the Sudbury mining area.

The directors of the company are: D. A. Campbell, F. Cooper, George Armstrong, Dr. J. W. Smylie, geologist, and Mr. Merrill, U. S. Steel Company, consulting geologist.

The company is capitalized at 600,000 common shares, par value of $1. The financing of a comprehensive diamond-drilling campaign will be provided for by the sale of 200,000 shares.

If the results obtained from drilling warrant such a step, application will be made to have the stock listed on the Standard Stock and Mining Exchange.

Thompson Cadillac Has Mill En Route

From Our Own Correspondent

MONTREAL.—Good progress has been made on Thompson Cadillac, according to William T. May, engineer in charge of the property, who says that the new plant is installed and in operation and that shaft sinking has been in full swing since the first of March. It is expected that the number one, three compartment shaft will be down 300 feet by May 1, with stations at the 150 and 300 foot levels. The air line has been connected between number one and number two shafts, and drifting from the 100 foot level will go forward simultaneously with the sinking of the new shaft. A ten stamp mill is ordered and enroute to Amos. This small mill will handle the high grade ore at present on the dump, as well as the other recoverage from the drifting. The mill will also provide an excellent large scale sampling plant to determine the ore values of all operations.

The Thompson Cadillac Mines own 1,590 acres in Northwestern Quebec, consisting of 550 acres in Malartic township; group "B" 600 acres in Cadillac township, and group "C" 440 acres in Rouyn township. The company's financing will allow active development until August 1. The shares still in the treasury will supply sufficient capital, not only for the further development, but for the erection of a large mill when conditions warrant such a step.

Cline Mine Sinks Shaft; Now at 100 Feet Level

Cline Mine has completed the sinking of its No. 3 shaft to the hundred feet level. Cross-cutting is now in progress and it is anticipated that the downward extension of the "office" vein will be encountered shortly.

W. W. Corbett, M.E., of New York, has been appointed mine manager. Irving S. Joseph, of New York, is now at the mine in a consulting capacity and will assist Mr. Corbett in mapping out future plans of development.

MINING STOCK QUOTATIONS

Week Ending March 20

	Par Val	Div. Rate	Yield	High for wk.	Low for wk.	Close Mar. 20	Sales for wk.	Range 1927 High	Range 1927 Low	Range 1928 High	Range 1928 Low
Abana	1	....	....	2.95	2.45	2.75	87435	4.90	.20	3.95	1.75
Aconda	1	....	....	34½	23	26½	419800	45	14½	47	23
Afton	1	....	....	1.58	1.48	1.58	15685	1.30	1.00	1.58	1.25
Algonquin	1	....	....	2⅞	2	2¼	42300	5¼	2	3	2
Amity C.	.	....	....	36	31	31	47200	50	24½	44	24
Amulet	1	....	....	4.10	3.45	3.60	116781	7.10	.85	5.20	3.00
Apex	1	....	....	7¼	6⅞	7	93100	10	1	9	6⅛
Area	1	....	....	.23	.20¼	.21	51550	1.95	.23	.32	.20¼
Argo. Con.	1	....	....	20¾	14⅞	18	310900	59	25	34	14⅞
Arno	.	....	....	24	22	23	17800	....	....	37	18¼
Atlas	1	....	....	3	2½	3	30000	7	2	4¼	2¼
Ankerite	.	....	....	.52	.52	.52	500	1.25	1.15	1.23	.49
Bagamac	.	....	....	9	9	9	1000	19	6	9	5
Baldwin	1	....	....	3	2	2¼	45540	5½	1	3½	2
Barry Holl.	1	....	....	1.25	1.14	1.20	315355	1.50	.25	1.25	.73
Bathurst	.	....	....	28	26	26	61550	....	....	35	22
Beaver	1	....	....	1.65	1.58	1.64	44250	2.75	.59½	2.25	1.25
Bedford	.	....	....	51¼	49½	49½	71600	52	19	54	34
Bellellen L.	1	....	....	....	....	....	....	23½	3	3½	2½
Bidgood	1	....	....	1.05	.86	.88	246800	1.83	.5	1.60	.61
Big Horn	.	....	....	....	....	....	....	....	....	44	34
Boischatel	None	....	....	3½	3	3	55600	27	3	5	3
Big Missouri	.	....	....	58	55	57	5900	....	....	90	50
B.C. Devel.	.	....	....	1.75	1.75	1.75	300	1.32	1.12	2.00	1.32
Buckingham	1	....	....	7¼	7¼	7⅝	312900	9½	3	8⅛	4½
Cambro	.	....	....	45	41	41	22500	58	55	55	29
Can. Lorraine	1	....	....	13	11	11¼	8000	12	10	18½	11
Capitol S.	1	....	....	15	13	13	3000	34	14	18½	13
Capitol R.	1	....	....	15	14	14¼	168050	54½	10	18	12
Castle Tre.	1	....	....	.60½	.59	.59	13625	1.27	.61	.81½	.58
Cen. Man.	1	....	....	1.50	1.36	1.38	56495	2.30	1.07	1.95	1.36
Chaput H.	1	....	....	12½	11	11	18350	20	4⅝	18	8⅛
Clericy	.	....	....	33½	26	28½	77570	31½	31	36	16
Clifton	1	....	....	1½	1	1½	2500	3½	½	2	1
Coast Copper	5	....	....	46	42¼	42½	3840	43¼	9¼	60	36
Col. Kirk.	1	....	....	4¼	4	4	91200	16	1½	9½	4
Coniagas	5	....	....	4.90	4.65	4.90	575	5.05	3.20	5.05	4.65
Coniaurum	5	....	....	4.75	4.10	4.75	18	5.78	2.80	5.50	4.10
Cons. Smelter	25	10+40	4.64	270	267	269	823	274½	215	289½	251
Copper Hill	1	....	....	....	....	....	....	68	36	46	44
Corona	1	....	....	11	8	8¼	126800	37	10	16	8
Crown Res.	1	....	....	59	52½	54	105434	80	39	70	39
Destor	1	....	....	....	....	....	....	43	20	20	20
Dome Mines	None	$1	9.34	11.00	10.40	10.70	3025	14.60	6.85	13.35	10.40
Dom. Kirk.	1	....	....	3¼	2¾	3	23400	12½	1½	6½	2
Don. Rouyn	1	....	....	15	13	13½	2900	56½	17½	22	13
Dubec	1	....	....	....	....	....	....	1.48	.35	.72	.40
Duprat	1	....	....	9	8	8⅝	28375	21	19¼	12½	8
Dunkin	.	....	....	40	39	39	16200	....	....	55	39
Everett	1	....	....	2⅝	2	2½	5100	5½	1¼	3	1½
Federal Kirk.	1	....	....	67	60	60	15700	78	40	77	60
Fiske	1	....	....	5	5	5	300	30½	5	10	4
Goldale	1	....	....	33¼	32	32¼	20350	57½	20	44	30
Gold Hill	1	....	....	28	21	22½	302307	54	22	38½	21
Gold Reef	1	....	....	1½	1	1	5500	2½	1½	2	1
Goodfish	.	....	....	60	53	53	89120	....	....	78	41½
Granada R.	1	....	....	25	23	24¼	66950	41	14½	35½	20
Grover Daley	1	....	....	14	9¼	9¼	125200	37	8	15	7
Harker	1	....	....	....	....	....	....	....	....	43	41
Harvie Exp.	None	....	....	.48	.43	.48	550	2.40	.50	.85	.43
Hecla	1	....	....	1.24	1.22	1.24	700	....	....	1.24	.95
Hillcrest c.	100	6	9.23	....	....	....	....	65	50	65	65
Hillcrest, p.	100	7	7.77	....	....	....	....	90	81½	90	85
Hilltop	1	....	....	19¼	15	17	16110	25	6½	23½	12
Hollinger	5	26	7.64	17.65	16.95	17.00	7805	22.65	16.40	18.10	16.95
Howey Gold	1	....	....	1.35	1.27	1.29	41333	1.78	.42	1.91	1.05
Hudson Bay	None	....	....	17.95	17.40	17.50	11862	....	....	23.25	16.60
Indian	1	....	....	9	8	8	1100	12	4	15	5
Int. Nickel.	25	$2	2.19	91	87½	91¼	78502	90¼	38	100	73¼
Jackson M.	1	....	....	85	78	78½	79850	86	36	86	65
Keeley	1	8	13.00	.61	.56	.61	9990	1.66	.69	.72	.53
Keora M.	1	....	....	3¼	3⅛	3¼	1000	13½	2	5	2½
Kirk. Hunt.	1	....	....	17½	16	16¼	42359	35½	10	26	16
Kirk. Lake	1	....	....	2.14	1.93	2.00	215840	3.06	.82	2.75	1.50
Koot. Flor.	20c.	....	....	35½	31	32	51650	31	22	47	28
La Rose	1	....	....	5	5	5	500	12	3	7	4
Lake Shore	1	40+10	2.17	24.25	23.10	23.10	2895	28.20	15.40	27.70	21.15
Lebel Ore	1	....	....	42	36	36	35000	66	30	59	26
Laval	1	....	....	23	20	21	107535	59	19½	28	20
Lorrain C.	1	....	....	1	½	½	10000	3¼	1	1⅛	½
Lorrain T.L.	1	....	....	30	30	30	500	86	52	30	30
Lucky Jim	10c	....	....	43	41	43	11700	....	....	44	36
Macassa	1	....	....	44½	40	41	24050	69	18	55½	37½
Malartic	1	....	....	1.19	.94	1.16	286370	78	23½	1.12	.70
Marriott	1	....	....	22½	22	22	9000	45	35	46	22
McDougall.	1	....	....	62½	57	58	70750	90	24	74½	45
McKinley	1	....	....	19	17	17	7700	25½	11	20	17
McIntyre	5	20	3.66	27.50	27.00	27.30	5180	29.00	24.00	29.00	25.90
Mentor	10	....	....	....	....	....	....	14	12	13	13
Millcrest	1	....	....	9	8½	9	39700	15	2	12	8
Mining Corp.	5	25c.	....	3.70	3.55	3.60	8895	5.05	2.90	5.50	3.55
Moneta	1	....	....	....	....	....	....	15½	8¼	12	5
Montreal R.	1	....	....	....	....	....	....	35	10	16	6
Mint Ore	1	....	....	35	32¼	33	63800	....	....	38½	25
Mond Nickel	.	....	....	46½	38	46½	325	....	....	46½	31
Moss	1	....	....	42	40	40	5000	....	....	70	35
Murphy	1	....	....	35	31	35	7000	....	....	49¼	31
Moneik	.	....	....	....	....	....	....	....	....	15	15
Newbec	1	....	....	.42	.37½	.38¼	96975	1.20	.62½	.66	.37½
Night Hawk	1	....	....	6½	5½	6	25300	10½	4	10	5½
Nipissing	5	6	6.27	5.05	4.70	4.78	8130	10.30	5.25	6.00	4.70
Noranda	None	....	....	19.50	18.00	18.35	18224	25.80	19.95	23.85	17.20
Nat. P. & D.	.	....	....	15.75	13.50	15.00	16850	....	....	15.75	7.75
Ophir	1	....	....	....	....	....	....	4⅝	¾	2½	1½
Osisko	.	....	....	.45	.41½	.41½	1500	1.75	.35	.64	.40
Picard	1	....	....	66	65	65	1600	....	....	77	50
Pawnee Kirk.	1	....	....	58½	55¼	56	28350	78	54	80	40
P. L.-Cobalt	1	....	....	23	19½	21½	62300	18	2	23	6
Porc. Crown	1	....	....	4½	4	4¼	7300	11	3	8	3
Pioneer	1	....	....	.59	.55	.56	36050	1.18	.45	.60	.48
Potter Doal	None	....	....	17	15	15	91515	65	10½	22	15
Premier Gold	1	32c	12.07	2.70	2.65	2.65	10800	2.50	1.86	3.50	2.15
Preston	1	....	....	3	3	3	2000	7	3	5	3
Pend Ore	1	....	....	18.25	16.75	17.00	14965	....	....	25.50	8.00
Ribago	1	....	....	13¼	8½	10	321950	87	13	25	8½
Rouyn G.	1	....	....	....	....	....	....	4	2½	3	1½
Rouyn, Que.	1	....	....	....	....	....	....	4	1⅛	1½	1½
Rubec	1	....	....	.35	.35	.35	1000	3.65	.80	.80	.35
Realty & M.	None	....	....	26½	23	26	43700	38	15	26½	9½
Robb Mont'y	.	....	....	32	29	29	1350	....	....	32	29
San Antonio	None	....	....	40	36	38½	53440	57	30	54½	35
Siscoe	1	....	....	57	54	54	3900	60	12	57	15
South Keora	1	....	....	....	....	....	....	64½	4½	17¼	8
Stadacona	None	....	....	16½	15	15	131450	55	13	21½	15
St. Anthony	1	....	....	41	39	40	5100	50	16	42	33
Sudbury M.	1	....	....	26	19	23½	24900	....	....	33½	19
Sylvanite	1	....	....	3.45	3.25	3.25	11050	4.80	2.60	3.90	3.20
Sherritt G.	1	....	....	7.50	7.10	7.20	112044	....	....	8.00	5.02
Sud. Basin	None	....	....	12.00	9.05	10.55	525850	....	....	12.00	5.25
Sunloch	1	....	....	4.35	3.00	4.35	2770	....	....	6.50	3.00
Sud. Contact	1	....	....	50	34	47	123070	....	....	50	34
Teck Hughes	1	10+5	....	8.85	8.50	8.60	42150	....	....	10.80	8.20
Telluride	1	....	....	....	....	....	....	38	35	41	37½
Tough Oakes	1	....	....	62	53¼	53½	142050	82	25	79	51
Towagmac	1	....	....	3.55	3.10	3.35	9700	5.75	2.85	4.10	2.80
Timiskaming	1	....	....	10	10	10	2000	12	4	10¼	6
Treadwell Y.	1	....	....	28.50	26.25	28.50	4085	26.75	18.50	32.00	24.75
Thom. Cad.	.	....	....	62	60	60	200	....	....	62	57½
Thomp. Krist	1	....	....	1	1	1	500	2	½	1	1
Vickers	1	....	....	.64	.60	.64	1100	1.52	.25	1.25	.60
Vipond	1	....	....	.69	.49	.66	164925	1.74	.47	.85	.48
Wakenda	1	....	....	12½	11	11	64900	16	1	15	7
West D. Lake	1	....	....	12½	11½	12	38675	20	8	17½	10
Wiltsey C.	1	....	....	46	46	46	1000	74	50	56	43½
Wright Har.	None	20c.	3.97	5.30	5.10	5.03	52500	8.45	5.50	6.80	4.00
Windfall R.	None	....	....	18½	15	15	13400	31	19¼	25	11½

Marbano Mining Tells of Favorable Results

Favorable reports have been received of exploratory work being carried out by the Marbano Mining Syndicate on its property in Steele Township. A mining engineer who recently visited the property states that the showings uncovered to date, warrant the spending of further money on development work.

A crew of men are at present engaged in trenching work under the direction of Jack Matheson, and the showings uncovered have shown massive and disseminated pyrite and pyrrhotite throughout, with occasional traces of chalcopyrite.

Camp buildings have been completed on the property, and an aggressive program of exploratory work is now being carried on.

Aconda is Encouraged By Kamiskotia Results

Aconda diamond drilling reports from its Kamiskotia property state that hole No. 6 passed through 59 feet of sulphides and hole No. 7 passed through two bodies of sulphides, one at 43 feet and another at 63 feet. Drill holes No. 8 and No. 9 are now being put down.

President D. B. Rochester recently denied that Aconda had relinquished its options on this property, and stated that the company proposed continuing the work here which looked most promising. The company has contracted for a large footage of diamond drilling. Over 2,100 feet have already been completed and there remain some 4,000 more feet to be put down.

Sherritt-Gordon

We have now ready for distribution a special, complete analytical report on this interesting Manitoba company. You will find it of considerable interest. Copies will be mailed upon request.

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FAVORABLE LAKE IS SCENE OF RUSH TO STAKE CLAIMS

Is Located Twenty Miles East of Manitoba-Ontario Line

Favorable Lake district, 200 miles north of Sioux Lookout, is the scene of the latest mining rush. Reports from Sioux Lookout are that from 200 to 350 claims have recently been staked in this area which lies about twenty miles east of the Manitoba-Ontario boundary. Aeroplanes are being utilized by prospectors to get in on the new ground and stake claims as near as possible to the find. The original find is located about three-quarters of a mile south of the west end of Rat House Bay on Big Sandy Lake. Coarse gold, considerable chalcopyrite in intrusives, and veins carrying galena, and zinc and copper mineralization are reported to have been uncovered in the four finds made known to date.

Remoteness Is Ban

The strike of the greenstone is said to be north-east from Favorable to Big Trout Lake, almost in the centre of Patricia district. Because of the remoteness of the area, it is unlikely that much development work will be carried on here for some time.

The find, however, has attracted the attention of the mining men and this district has been visited by J. D. Perrin and William Borthwick, representing the Waite Connell group who have taken up the discovery. Such well known mining men as A. J. Keast, Sam Hunter, Arthur Cockeram, C. H. Wilkins and Karl Helsey, have also visited the district.

NOVAMAC MINES GETS N.Y. CAPITAL

Nova Scotia Proposition Sells 2,000,000 Treasury Shares in Stalls

Novamac Mines and Power Corp., Limited, has completed arrangements for the underwriting of the balance of its unsold treasury shares, some 2,000,000, with Messrs. Mills, Moyer & Company, Inc., of New York. The underwriting of this issue, by the New York financial house, means that the Novamac finances will be amply provided and that development work will be pushed along rapidly.

The underwriting of this issue was undertaken by the New York house after two of its representatives had spent several weeks in Nova Scotia investigating Novamac.

Mining returns for the Province of Nova Scotia for 1927 showed that over 80 per cent. of the gold produced in that province for the year was produced by the Novamac mines, which treated over 14,000 tons of ore.

Ostrom Reports Striking No. 14 Vein at 500-ft.

Ostrom Gold Mines, Boston Creek, has struck its No. 14 vein on the 500 foot level, according to word received from Mine Manager James Houston. The footwall of this vein was encountered about 230 feet from the shaft. At the time of making his report to the company, the crosscut was in the vein over 8 feet with the face still in the quartz. Mr. Houston reported the vein to be well mineralized and very promising-looking.

The full width of the vein will be ascertained by crosscutting before drifting operations are started, after which extensive lateral developments will be carried on. This vein also showed in a diamond drill hole some distance further to the west, 27 feet of well mineralized vein matter with 70 feet of diabase adjacent to the hanging wall. It is expected that the hanging wall section of the vein will show the best values.

It is the intention of the management, when lateral work is well under way on vein Number 14, to explore on the 500-foot level, seven interesting veins which lie to the east of the shaft.

Dumkin Gold Plans Work in Narrow Lake Section

Dunkin Gold Mines is now engaged in transporting a steam boiler, air compressor, hoist and general mining equipment to its property in the Narrow Lake section of the Red Lake gold district.

An extensive development campaign will be carried out on this property, on which some of the richest finds in that district have been made to date, during the coming summer.

Dunkin Gold Mines has a capitalization of 4,000,000 shares and was formed to take over the Dunkin-McBain property which comprises some 520 acres. Directors of the company are J. H. Black, R. Home Smith, James A. Dunn, J. R. L. Starr, W. S. Spence, S. A. Shoemaker and J. G. Masson.

Calumet Copper Finds Chalcopyrite in Dasserat

Calumet Copper Mines in Dasserat Township, Quebec, west of Lake Fortune, is reported to be the scene of an important chalcopyrite discovery. Over a year's development work has been carried out on this property and it is said a vein two and a half feet wide of solid chalcopyrite has been uncovered. A further outcrop has been located some 500 feet distant from the original showing. Channel assays taken from the Calumet property have given values of $12.00 in gold.

The vendors of the Calumet property were the original owners of Amulet. Calumet also owns a 200-acre group of claims in Clericy Township on which it proposes carrying out development work.

Cartier-Malartic Shaft Is Now Down to 60-ft.

Cartier-Malartic Gold Mines has its shaft down to a depth of over 60 feet, according to the latest progress report issued by the company. It is stated that the last few feet were in very hard rock and that the fractured system in the bottom of the shaft was considerably wider than at the surface.

A magnetometer survey is being made of a certain section of the property and this will be followed by surface trenching. A permanent steam plant consisting of two 60 h.p. locomotive type boilers, a 525-cubic-foot air compressor, and other equipment is now on its way to the property. Several new buildings have recently been completed and a force of thirty men is now employed at the property. A vigorous development campaign has been mapped out for the coming summer.

Ramore Gold Mines

Ramore Gold Mines proposes carrying out an extensive development campaign on its property which adjoins the Brett-Trethewey on the south, this coming summer. Camp buildings are now being constructed, and mining equipment and supplies are being brought in over the winter roads in anticipation of the spring break-up.

Mining Inquiries

Cochenour Mines

Can you give me any information regarding the Cochenour Mines?

Cochenour Red Lake Mines is a good speculation. It is in good hands and important developments are pending.

Alamac

A customer of ours is considering investing a small sum in Alamac Mines and Big Missouri. Have you any information regarding these?

Alamac property is in the Abana section of Northwestern Quebec. There are a number of attractive speculations in this section of the area, but to date Abana is the only operation that has proven up a commercial ore body.

Stadamac

I would be pleased to receive any information you have regarding Stadamac and Telluride Mines.

Stadamac and Telluride are prospects. The former is in the Rouyn copper area of N.W. Quebec. The latter is in Skead Township, Boston Creek, and has opened up a good looking shoot of gold ore. There are also possibilities for copper on the property.

Walsh Katrine

Would you please give me your opinion of Walsh-Katrine as a business man's investment.

Walsh Katrine has been making a real effort to find a mine on its property in Kirkland Lake camp to the east of the producing section of the area. Our understanding is that of late the operations have been meeting with considerable encouragement. The venture is to be regarded as a speculation.

Three Attractive Issues

Will you kindly give me your opinion of Tough Oakes, Wright-Hargreaves, and Bidgood.

Three attractive issues Wright-Hargreaves is producing and paying dividends. Shares have weakened considerably of late but when the market absorbs selling they should do better. Tough-Oakes recently increased mill capacity and is looking extremely well. Bidgood has opened good ore on two levels and is shaping up well.

Nipissing

We would like to get some information about Nipissing. Do you recommend it at present prices?

Nipissing's old Cobalt property is on its last legs but recent important discovery has improved things. The company has been looking elsewhere for properties. Little has been heard of its South Lorrain operation but our information is that it has opened out in an excellent manner and when the price of silver comes back sufficiently to warrant full speed ahead on silver operations, this property will likely be heard from.

Nipissing took over the Robb-Montbray property in Montbray Tp., Quebec and opened up considerable copper ore with an attractive gold content. Nipissing then formed the Robb-Montbray company and sold enough of its stock to give it back all the money expended on the operation and leave it a substantial block of stock in the treasury. Nipissing has also been looking to other fields and we understand staked an attractive group some 250 miles north of the Sherritt-Gordon in Northern Manitoba.

Bloom Lake Consolidated

I would like to know how Bloom Lake Consolidated Gold is situated financially. How is its property located with regard to other well known operating companies in the district? How will proposed developments be served by railroads, power, etc.?

We are informed by the Bloom Lake Consolidated Gold Company that it has no money in its treasury at the present time, but is free from debt, and is making an effort to raise funds to diamond drill the property in Powell Township.

This property was examined by J. W. Morrison, M.E., who reported the structure favorable for ore deposition and of sufficient merit to warrant a real effort to find ore.

There are no companies operating in the Matachewan area at the present time.

The transmission lines of the Northern Canada Power Company cross the property. The nearest railroad is 28 miles distant at Elk Lake. The proposed line from Elk Lake to Swastika Junction will cross the property.

The company has a promising silver property in Gowganda on which considerable development work has been carried out. It is closed down awaiting an improvement in the silver market.

Continental Mines

What do you think of Continental Mines?

Continental Kirkland appears to have interesting possibilities. It is in good hands and well financed.

Clinton Gold

Would you kindly give me your valued opinion on Clinton Gold, as a business man's investment?

We consider Clinton Gold a gamble.

Cobalt-Kittson-Silver

I would like to have your opinion of the Cobalt-Kittson Silver Mining Syndicate.

The Cobalt-Kittson Silver Mining Syndicate looks like a gamble to us. It is in an unproven area to the south of the Town of Cobalt.

Teck Hughes

I am holding on margin 200 shares of Teck Hughes, averaging $10.70. Would you advise me to sell, or look for further appreciation?

Current general opinion favors Teck Hughes for further appreciation during 1928.

Mining Corporation

Please let me have your opinion regarding a purchase of Mining Corporation or Noranda at present prices. Do you expect the latter to declare a dividend in the near future?

Mining Corporation and Noranda are two attractive issues. We do not anticipate Noranda paying a dividend until 1929 or even later.

Bunker Hill Extension

Would you please give me some information on Bunker Hill Extension?

Bunker Hill Extension is located in the Sudbury Basin immediately adjacent to the Treadwell-Yukon property on the East. The geology and structure is reported to be similar to that of Treadwell-Yukon. Development work is only in its initial stages at the present time, with two diamond drills operating on the property. The company is possessed of a board of experienced and aggressive mining men, and is amply financed. From its geological position alone it may be considered an attractive speculation.

Imperial Royalties

Do you think Imperial Royalties, of Kansas City, Missouri, a fairly safe investment? I have a considerable sum invested in good first mortgage bonds yielding six per cent., but had an idea of putting some loose cash into Imperial Royalties to get a larger rate of interest.

We do not regard Imperial Royalties Company or any other royalty company, for that matter, as a "safe investment." Investing in oil companies is very much of a gamble and we believe there are many other forms of investment which would assure you a more attractive yield consistent with safety. The real test for these companies is who is behind them.

If you carefully follow the Investors' Inquiries in The Post, you should be able to pick out some stocks, either in the industrial or the mining class which offer a chance for considerable appreciation if you are willing to gamble on their future, as it would appear from your letter that you are willing to speculate to some extent.

Beardmore Gold

I would like to have your opinion of Beardmore Gold.

Beardmore Gold Mine is located in the Nipigon Forest Reserve on the Canadian National Railway line running from Sudbury to Port Arthur. The company's property consists of a group of claims of 1,100 acres on which considerable surface work and diamond drilling has been carried out and encouraging values obtained. The property looks to have a fair chance.

Vipond

I bought a thousand shares of Vipond a couple of years ago at $1.50, and have thought of selling it at the market and buying either of the following stocks: Bidgood, Tough Oakes, Barry Hollinger, or Macassa, and holding for say a couple of years. Before doing so I thought I would get your advice. What do you think of my plan?

The exchange you suggest might work out profitably. Vipond is having a hard battle and it may take some time to definitely establish itself.

Drummond Syndicate

Would you please give me some information on Drummond Syndicate. Where is its property located? Has it any merit?

The Dominion Trap Rock Company has good people on its board. Hence we are inclined to feel that the "A" shares make an interesting speculation for a business man.

Whether or not you should purchase this stock depends on the remainder of your investment holdings.

If you have some funds invested in speculations, you might well include some of the shares of the Dominion Trap Rock Company in such holdings.

In our opinion speculative holdings should be well diversified so that what you lose on one stock you will more than make up on the others.

Apex

Would you give me your opinion as to the future of Apex Mine? Is there any justification for its recent advance?

The future of Apex Mines is still very much a matter for speculation. We understand that the company was recently re-financed and that arrangements have been made for the carrying out of a diamond drill campaign on its Porcupine property. The company has also acquired properties close to the Thompson-Cadillac in the Rouyn Township and another adjoining Newbec in Dufresnoy Township, Quebec. Favorable developments on either of these two properties should re-act on Apex.

Apex's recent advance is largely due to the favorable results obtained from operations being carried out on the West Dome Lake property, which Apex adjoins. This season's operations should go a long way toward determining the future of Apex.

Ore Grand and Cold Lake

As a subscriber to your paper I would like to get some information on Ore Grande and Cold Lake Mines.

Oro-Grande is located in the Central Manitoba area. It is a prospect with attractive possibilities. J. W. Morrison, the sponsor of the company, is a mining engineer of high standing in Northern Ontario.

Charles Labine, care of Eldorado Mines, Bay and Adelaide Streets, Toronto, is handling Oro-Grande.

Cold Lake Mine is an attractive gamble. Stock of this company is being offered by Mowat and McGillivray, Ottawa.

Montbray Mines

I would greatly appreciate any information you can give me as to the status and future prospects of Montbray Mines.

Montbray Mines own a group of claims located in Montbray Township, Quebec, adjoining the Robb-Montbray property. No work has been carried out on the property since last summer and it would appear that the company is standing pat awaiting further developments on the Robb-Montbray. Latest reports of development work on the latter property have been quite favorable.

Kootenay Florence

Your views on the undernoted issues would be greatly appreciated:

Kootenay Florence—cost 33; should I increase my holdings in view of its Lake Shore neighbor being absorbed, or is it advisable to wait for the adit to be completed?

Buckingham, McDougall, Bathurst, Stadacona, Marriott, Potter-Doal, Duprat. Do you advise the purchase of any or all of them at the present levels?

Kootenay Florence has speculative possibilities but, as we do not know your financial position, we are [illegible] prepared to say whether you [illegible] be justified in taking a gamble [illegible] this issue or not.

We consider McDougall, Stadacona, and Marriott as the most [illegible]tractive stocks of the list you [illegible] outlined.

We suggest the purchase of
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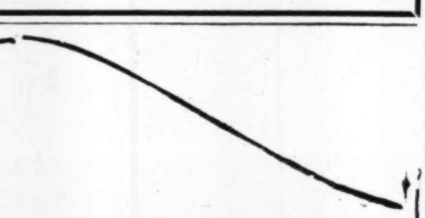
Orders Executed on All Exchanges
Montreal and Toronto Stocks
Branch Offices: Cornwall, Belleville Brockville, Pembroke, and Hull, Que.
Private Wires Mining Stocks

We recommend first issue of Mohawk Mining Company Shares as a profitable investment
VIKING FINANCE LIMITED
Sponsoring B. C. Mining Issues of Merit.
All Company securities are offered by this firm only after examination of properties by our staff engineers.
Phone—Seymour 3411
Edward G. Brown, Managing Director
912-914 Birks Bldg., Vancouver, B.C.



Wilfley Concentrating Table
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For thirty-one years the standard gravity concentrator in ore dressing plants and other industries.
Always up to date in all features.
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Made in Canada by William Hamilton Limited, Peterboro, Ontario

Pre-Listing Offering
Muldeskotia Mining Co., Ltd.
Incorporated Under the Companies Act
Capital: 4,000,000 Shares
(Without Nominal or Par Value)
2,300,000 Shares Issued Treasury: 1,700,000 Shares
Also Has Several Thousands of Dollars in the Treasury
Initial Offering of 400,000 Shares at 25c
Proceeds to be Used for Preliminary Development

Properties
The holdings of this Company consist of approximately 480 acres (9 claims) situated in Robb and three, or 120 acres, in Turnbull Township in the Porcupine mining division, about one and three-quarters miles west of Hollinger, 18 miles from Timmins and on the line of strike of important finds on nearby properties such as the recent Jamieson Gray Copper and Gold strike as well as having made several important discoveries on their property.
Tests of ore on Muldeskotia have shown free gold and copper in attractive paying quantities. It will thus be seen that the holdings of Muldeskotia Mining Co. Limited have been carefully selected both in regard to important ore finds and as to line of strike on other properties.
Work Already Commenced
Important surface developing and ditching has already been done. At present one of the leading engineers of the North is starting work on the property for which money is already in the treasury and the sale of the present offering of 400,000 shares is to continue this work. Mining engineers and geologists familiar with conditions in the Kamiskotia Field concede Muldeskotia an excellent chance to locate ore bodies within the property owned by this company.
The management of the Company is in responsible, competent hands; the Company's treasury is supplied with sufficient money to pay for obligations already entered into; the property is ideally located and holds out definite possibilities of becoming a profitable mine on further exploration and development.
The shares of this Company are, under present circumstances recommended as a worthy mining speculation at the present pre-listing price of 25c per share. An active market is expected.
Booklets of Pre-Listing Information can be had from, and all Subscriptions and Cheques should be made direct to
A. Paterson & Co., Ltd.
Canada Life Building, OTTAWA, CAN.
The Statutory Prospectus of this Company has been filed with the Secretary of State for Canada.
While this information has been derived from sources believed to be reliable it is not guaranteed.

Preliminary Information
Cummings-Trudel Mining and Development Company Limited
Incorporated under the Companies' Act of the Dominion of Canada.
CAPITALIZATION
3,000,000 Shares
1,973,856 Shares are now in the Treasury
This company holds outright 33 mining claims in the most promising sections of Northern Quebec. We believe they offer a means for speculative investment of great possibilities. Excellent showings have already resulted from preliminary development work both on the company's own properties and on adjoining holdings.
The quartz prophory found in one of the groups of claims is considered by mining authorities to approximate that of the Hollinger and McIntyre properties. Another group is on the same break as that of the now famous Malartic Gold Mine. A third is near the Abana Mine and is known to be on the same strike and mineralized zone, while a fourth is on the strike of the O'Brien and Thompson Cadillac properties.
DIRECTORATE: Alfred P. Trudel, Ottawa, President and Managing Director; John I. Cummings, Ottawa, Vice-President; Alex T. Bailey, Ottawa, Secretary-Treasurer; Cass Connaway, Buffalo, N.Y.; James W. Anderson, Montreal; Geo. N. Bothwell, Buckingham, P.Q.; J. A. McGill, Ottawa; T. W. Anderson, Montreal.
PROPERTY: The company holds clear title to four groups of properties in the Townships of Barraute, Fourniere, Desmeloizes and Cadillac. Good transportation facilities are available in all these localities.
GEOLOGY AND DEVELOPMENT: Group No. 1, in Barraute Township, a district widely known for important gold discoveries, has already shown important gold indications. Five parallel quartz veins, containing a remarkable quantity of free gold, have been disclosed. The average value shown by 12 sample assays, made by different laboratories, was $46.41 a ton.
Group No. 2, in the Township of Fourniere, is on the same break as Malartic Gold. Several stringers of quartz carrying free gold have been encountered.
Group No. 3, in the Township of Desmeloizes, near the Abana Mine, shows a geology indicative of the presence of similar conditions as found on the Abana properties. The general geology of this property is the most promising in Northern Quebec.
On Group No. 4, in the Township of Cadillac, a well-mineralized vein has been located. This group is on the strike of the O'Brien and Thompson Cadillac properties, where the ore is said to be richer in gold content than any yet mined in the province.
DEVELOPMENT: A total of about $30,000 has already been spent on development work on these properties. Further development work will be undertaken as soon as possible.
PRICE: A limited number of shares are now being offered for development purposes at a price of 25c a share. Application will be made later to list the shares on one or more of the leading mining exchanges.
STOBIE, FORLONG & CO. LIMITED
190 St. James Street, Montreal MAin 6762

HARKNESS-HAYS TELLS AT LENGTH OF WORK TO DATE

Has Spent $90,000 on Surface and Tunneling at Property

Harkness-Hays Gold Mining Co. has carried its program of development to such a stage, and met with sufficiently encouraging results, to warrant it increasing its scale of operations. Such is the belief of the company's consulting engineer which has received the support and endorsement of the management. The sum of $90,000 has been spent in development work to date.

A report of the company's operations, and the results obtained, are fully set out in a progress report forwarded shareholders by W. Dean Hays, managing director, a summary of which follows.

The report states that a modern group of camp buildings has been erected on the property, and a gasoline compressor operating two large rock drills, drill sharpener, gasoline pumping unit, auxillary air compressor, and other equipment installed.

Surface Work

Surface work carried out includes over 2,000 feet of stripping which has exposed what appears to be 8 distinct veins. Fractures Nos. 1 and 2 exposed very high grade ore. These veins seem to be parallel, and at the points exposed are from 2½ to 3½ feet wide. A ton of ore from the No. 2 vein returned $115 in gold, and free gold is visible at various points where the veins have been opened up.

No. 3 vein was stripped for a distance of 500 feet and has shown some very high grade ore. A 1,500 pound shipment to the Temiskaming Testing Laboratories returned a value of a little over $100 a ton. There is a very rich pay streak in this vein a few inches wide. Channel sampling over a distance of 275 feet returnd a value of $60 a ton in gold, but as this included returns on the channel samples of the rich pay streak, the company's consulting engineer, J. C. Houston, estimated the values of this body of ore upon development would more probably show around $30 a ton.

No. 4 vein, which runs parallel to No. 3, has been stripped for a short distance only, and been found to widen in places to 4 feet. It pans gold, and samples have assayed from $6 to $60 per ton. Veins Nos. 5 and 6, west of No. 4, have been stripped for a considerable distance and values up to $4 a ton in gold obtained from samples taken of exposed outcrops. Some silver is also present in these veins, samples having shown values as high as $5 per ton.

West 150 feet of No. 6 lies a sheared zone known as No. 7. It appears to have two separate fractures, is well mineralized, and the oxidized outcrop will pan gold at any point exposed, and assays as as high as $200 have been obtained. Channel sampling across a section of 60 feet gave an average value around $4.50 and the company's engineer has expressed the opinion that this ore can be mined cheaply and with consistent values of around $5 per ton.

No. 8 vein is white quartz of considerable size. Samples have given some extraordinary values.

Underground Development

In addition to the surface work considerable underground develop- has been carried out. A tunnel driven on No. 1 vein opened up an ore body 45 feet in length averaging approximately $28 a ton over a reported width of 3½ feet.

A tunnel driven on No. 8 vein for 35 feet opened up a body of white quartz carrying good values on both channel and grab samples. As this ore body seemed to be of considerable width a good deal of work was done to determine its size and strike. Trenching revealed this ore body to be up to 60 feet wide, and samples assayed from a few dollars up to $432 a ton in gold. This ore body appears to be one of the most important and valuable on the property.

An adit driven into the side of the hill about 400 feet east of this point was divided into two drifts so as to cut the extension of Nos. 1, 2 and 3 veins, and Nos. 4, 5, 6. 7 and 8 veins. The northeast drift has progressed 800 feet including drifting on No. 1 vein and has shown favorable formation. Assays taken from time to time have shown consistent gold values in the country rock. The northwest drift has reached a point 500 feet from the mouth of the adit and has intersected several wide mineralized zones returning some high values on both channel and grab samples. More work will be required to determine their average width and values.

The company's consulting engineer regards the grade of ore so far demonstrated, as on a par with the Kirkland Lake ore, and the general conditions identical with those in the Porcupine Camp. It is his opinion that conditions will be similar at depth.

The property is located at Schreiber, Ont., on the C. P. R. west of Sudbury. It is the most active property in the camp.

Drill Duprat Lake Shore

The diamond drilling campaign on the Duprat Lake Shore property will involve approximately 5,000 feet of drilling. Two holes have been completed, and a third started, results so far obtained having been moderately encouraging. The third hole is being put down north-west of the first two, and is expected to yield more favorable results. A Radiore survey is also being carried out.

Nipissing Dividend

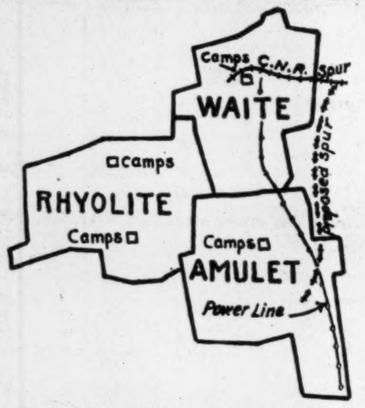
The board of directors of Nipissing Mines, have declared a regular quarterly dividend of 1½ per cent. payable April 20 to shareholders of record March 31. Transfer books will remain open. The cash in bank, Government bonds and investments, value of ore and bullion on hand and in process at mine and mill amounts to $3,472,780

TRAIL SMELTER RECEIPTS

Ore receipts at Trail Smelter from 8th March to 14th March, 1928, inclusive, and from 1 January, 1928, to date, in tons, were as follows:

	Week	Year
Company's mines	12,446	113,490
Other mines	2,316	23,880
	14,761	137,370

Two Near Producers



Noranda's annual report revealed the fact that a mining plant has been installed on the Waite and that it will soon produce. Amulets plans will soon be revealed when the impending report on the mine is made public. Rhyolite has two crews working, searching for extension of the Waite and Amulet ore bodies.

Dunlop Reports on Work Done on Properties in 1927

Dunlop Consolidated Mines has summarized its activities in the different Ontario and Quebec mining camps in which it is interested, in an official statement just issued, which sets out work completed to Dec. 31, 1927. Excerpts from the report follow:

Red Lake Claims—Development commenced in May, 1926. About 2,000 feet of trenching was done, resulting in the discovery of a sheer zone carrying interesting mineralization. This was followed in the Winter of 1926-27 by diamond drilling, the results being reasonably encouraging. The drill remains on the property, and is available for work this year.

Camps have been erected, and an assay plant installed. Sufficient work has been performed to patent the 1,400 acres held.

Claims at East Clearwater Lake—"Twelve claims were staked in this section," says the statement, "in the early spring, and a 90 per cent. interest secured in one more at nominal cost. This group has also been surveyed and geologically mapped. A promising discovery was made on claim 6590 in the form of a quartz vein having an extreme width of 25 feet. Channel samples over a width of 15 feet gave $7 per ton in gold."

Camps have been erected on this group, and equipment is also on hand for further exploration.

Quebec Claims—Three groups were secured in Quebec a year ago, consisting of a total of 68 claims. Extensive work is planned this year.

During the past year work was centered largely on that group of claims at Colnett Lake in Montbray Township, less than three miles west of the Robb-Montbray. On claim 8120 a width of 10 feet assayed $7.80 in gold. Diamond drilling is now in progress.

Another discovery was made on claim 8114, consisting of low copper values and medium values in gold. A further discovery on this claim is in the form of a gold-bearing quartz vein in red feldspar porphyry.

Holdings in Sudbury—The company also secured 820 acres in the Sudbury district, lying adjacent to Treadwell-Yukon on the north. A diamond drill is being sent to the property with a view toward exploring for part of the main zone of fracturing, or location of a parallel break to the north.

Dunlop Consolidated has approximately $100,000 in cash on hand, and with approximately 2,000,000 shares still in its treasury. As a result of this financial position and the generally favorable outlook on various properties, officials are optimistic in regard to the outcome.

Cummings-Trudel Co. Takes Over Quebec Claims

Cummings-Trudel Mining and Development Co., incorporated under the Companies Act of the Dominion of Canada, with capital of 3,000,000 shares of no par value, of which 1,973,856 shares remain in the treasury, has acquired four groups of promising claims in townships of Barraute, Fourniere, Desmeloizes and Cadillac, Quebec, and proposes to start active development at once.

The four groups are as follows: No. 1, in Barraute Township, showing five parallel quartz claims, containing an unusual amount of free gold, disclosed by surface trenching, with assays ranging from $4.70 to $127 per ton and average of 12 assays, $46.41 per ton gold; No. 2 in Fourniere Township, adjoining Lucky Tiger ground, which in turn adjoins Malartic, where several high-grade quartz stringers have been encountered on the line between Lucky Tiger and Cummings-Trudel; No. 3 in Desmeloizes Township, near Abana Mine, and on the same strike, showing considerable disseminated chalcopyrite information similar to that of Abana, and No. 4, in Cadillac Township, southeast of and on the same strike as O'Brien and Thompson-Cadillac, where recent gold discoveries have resulted in shipment of ore said to run higher in gold content than any yet mined in Quebec.

A total of about $30,000 has already been spent upon surface development, and it is now proposed to undertake deep work on all four groups. The new company is sponsored by the Montreal branch of Stobie, Forlong & Co., initial offering of stock being at 25c. per share. Application for listing is to be made in Montreal and Toronto. The directorate of the company include Alfred P. Trudel, Ottawa, president and managing director; John I. Cummings, Ottawa, vice-president; Alex. T. Bailey, Ottawa, secretary-treasurer; Cass Connaway, Buffalo, N.Y.; James W. Anderson, Montreal; George N. Bothwell, Buckingham, Que.; J. A. McGill, Ottawa, and T. W. Anderson, Montreal.

Royalite, With Other Wells Produce 1,140 Barrels Daily

Subsidiaries of Imperial Oil, Ltd., in Alberta, now are producing about 1,140 barrels of crude daily.

Royalite No. 4, principal producing well of Royalite Oil Co., in 1927, produced 217,400 barrels of 73 Beaume Crude Naptha, from a gas production of 23,000,000 cubic feet of gas per day. This total is an average of about 600 barrels of oil per day. Other wells belonging to this subsidiary of Imperial Oil brought the total average production to approximately 730 barrels per day.

Oil produced in this way is transported to the Calgary refinery in a pipe line 30 miles long. About 12,000,000 cubic feet of gas also are delivered to Calgary daily.

Dalhousie Oil Co., a subsidiary of Royalite, gets 350 barrels of crude naptha from its No. 1 well in the Turner Valley. Another well owned by the same company produces daily about 60 barrels of crude oil. This, with various other small wells, brings the total to 1,140 barrels daily.

Mining Inquiries

Pontiac Mines and Power

Could you give me any information on Pontiac Mines & Power Co.?

Pontiac Mines and Pioneer is a gamble. This is an operation which was badly handled and is in very bad order at the present time.

Matachewan Canadian

I would like to have some information on the merits of the Matachewan Canadian property, and what is being done to develop it.

Matachewan Canadian is an excellent property. It is now lying dormant but some day someone will take hold of it and a big operation should result.

Colonial Metals

Some time ago I bought some stock in the Colonial Metals Exploration Co., and the salesman told me at the time that the bonds would be called in in the near future and shares in Exploration Company of Canada issued in their stead. Could you tell me anything of the progress of these companies?

Colonial Metals Exploration Company is making fair progress. The company's property is well located. Some delay has taken place in shaping up the exploration company but we understand that this is not serious and that the company will be formed in due course.

Duprat Mines

Would you please give me some information on Duprat Mines? Is the company making any progress?

Duprat on account of its location has attractive possibilities. Of the two groups of claims, one adjoins the Waite-Montgomery. The company employed competent engineers, an electrical survey was made, and diamond drilling carried out on the property in search of ore but without success. The company is still making a determined effort to locate an ore body and the Radiore Company has been employed to test out another group of holdings.

Continental Mines

What progress is being made by Continental Mines? Do you consider it a good investment?

Continental Mines was recently financed in a substantial way and will start immediately to sink a new shaft in a section where they expected to pick up the eastern extension of the main break of the Kirkland Lake camp. Continental engineers figured when the company was first organized, that the main break of the camp turned north of east. They spent considerable funds before they disproved this theory. Subsequent development some distance east and on the Tough-Oakes-Burnside to the west, leads to the belief that the main ore zone was faulted to the south on the Tough-Oakes and that it passes through Gull Lake with the possibility of touching the southern section of Continental's holdings. The operation is in good business and technical hands.

R.I.P.

Can you give me any information regarding the following Calgary oil companies:

Progress Oil & Gas Co.,
British Canadian Oils, Ltd.,
Alberta Petroleum,
Crystal Oil Co.,
Cooper Oils, Ltd.,
Paragon Oil Co.,
Trenton Oil Co.,
Sunbeam Oil Co.,
Standard Oil Fields of Alberta,
Prudential Oil & Gas Co.

The secretary of the Calgary Stock Exchange informs us that the oil companies about which you enquired are all defunct and the stocks have no value.

Six Producers

Please give me a list of six producing mines, and six mining stocks selling around a dollar, for appreciation within a year or 15 months.

Six producing mines are:

Hollinger, McIntyre, Lakeshore, International Nickel, Consolidated Smelters, Mond Nickel.

It is against the policy of this paper to give tips. We called up a couple of brokers and though their suggestions covered a wide range, five of the stocks they picked were:

Bidgood, Barry Hollinger, Tough Oakes, San Antonio and Harvey.

Bunker Hill Extension

Permit me to inquire about the prospects of the following properties from an investor's point of view:

Bunker Hill Extension,
Malartic,
Wright Hargreaves,
Abana,
Ossian.

Bunker Hill Extension, Malartic and Ossian are three properties in good hands each of which seems to possess considerable merit.

Wright Hargreaves is a dividend paying mine in the Kirkland Lake district. The president of the company recently stated that the mine never looked better.

Abana is a proven mine and we believe will show appreciation if held over a period of time.

RAMBLER GROUP SOLD

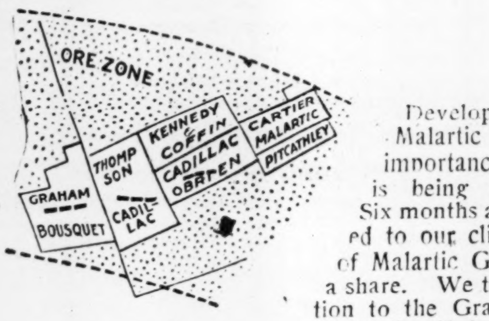
Rambler-Cariboo shareholders have sold their property in British Columbia to Slocan-Rambler, a company financed in Toronto. Old shareholders get one new for four old. The property was a steady shipper for years.

SANCA BUYS PROPERTIES

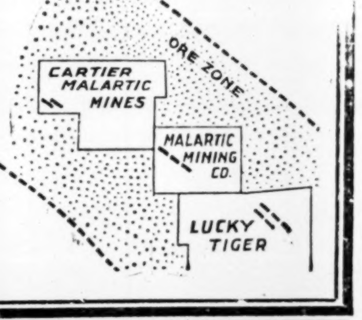
Sanca Mines, headed by W. S. Herron, oil magnate, Calgary, has purchased properties of Associated Mining and Milling, and United Lode, both of Trail, B.C. The properties are at Ginois Landing, on Kootenay Lake.

A. E. Beck & Co. Limited
A. E. BECK, B.Sc., A.M.E.I.C. C. ST. CLAIR PARSONS, B.Sc., A.I.M.M.
Specialists in Canadian Mining Securities
217 Bay Street, Toronto ELgin 4273

JAY COPPER - GOLD MINES
LIMITED
(No Personal Liability)
We recommend the purchase of the Stock of this Company.
BECAUSE
The Shaft has reached a depth of 500 feet.
Ore has been cut at 100-200-325 and 400 feet, and Station is being cut at 500 feet preparatory to Cross Cutting and Drifting.
It is one of the deepest workings in North Western Quebec.
Radiore Survey now under way; indications most favorable.
Francis J. Hunter & Co., Limited
Mezzanine Floor, Mount Royal Hotel,
MONTREAL



Developments in the Cadillac-Malartic area are of primary importance. A new gold camp is being rapidly established. Six months ago we recommended to our clients the purchase of Malartic Gold stock at 30c a share. We to-day call attention to the Graham Bousquet and Cartier Malartic, selling at 30c a share. These properties are now under active development.



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BAY AND WELLINGTON STS. TORONTO

ANNOUNCING
The Official Opening to the Public of the New
British Columbia Mining and Stock EXCHANGE
Saturday, March 24th, 1928, at 3 p.m.
402 Pender St. W., Vancouver, B.C.

Situated in the heart of Vancouver's Business District — located on the main floor of the British Columbia Mining Building, corner of Pender and Homer Streets. Located in the same building is the Chamber of Mines, the main source of information on mining in British Columbia

Previous to the session of the exchange there will be several addresses given by prominent mining men on the past, present and future developments and possibilities of mining in British Columbia.

B. C. MINING
& STOCK EXCHANGE LIMITED

Our Policy

The fundamental principles on which the B.C. Mining and Stock Exchange is founded are that all our policies shall be specifically direct, sound, and with an unending singleness of purpose in rendering honest, efficient service to our clients.

The B. C. Mining and Stock Exchange was organized by powerful financial groups in Vancouver and Victoria to handle all classes of stocks but to major primarily in mining stocks. The New Exchange, starting off with a roster of fifty members, comprising some of the most influential and outstanding men, who have been identified with the development of the mining industry of British Columbia, was prompted by the tremendous public interest in mining stocks in British Columbia. The flow of capital from Great Britain, United States and Eastern Canada for British Columbia mining stocks was so great that the brokerage facilities in Vancouver were inadequate to handle sales.

For the Protection of the Investing Public the New Exchange will operate a CLEARING HOUSE, thus making what is known as "bucketing" and "wash sales" an impossibility. All brokers must have actual certificates when they offer stock for sale as all "clearing" must be completed within three sessions of the sale. In addition each member is required to deposit a bond to ensure his good faith in carrying out all transactions.

A Complete Statistical and Advisory Service on all British Columbia mining securities is offered buyers of British Columbia mining stocks through our close mine connections in every British Columbia field. Dependable information on the relative values of the different minerals and of their developments and mining equipment will be gladly given.

The Directorate who will handle the destinies of the new B.C. Mining and Stock Exchange for the ensuing year —

JAMES TORRANCE ARMSTRONG PETER LEO BANCROFT
HAROLD S. DRUMMOND-HAY KARL POPE FLETCHER H. R. E. HUNNINGS
F. D. LUNDY EDWARD H. SCHAFER
WILLIAM ROUNSEFELL TONKIN ARTHUR BUCKLE, Secretary-Treasurer

The Members of the B. C. Mining and Stock Exchange solicit your patronage when buying or selling stocks and bonds

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Room 903 Wilson Bldg. 62 Front St. W. Toronto 2. Ont.
Telephone Main 1870 Telegr. Address "Elecpropec"

A Complete Mining Plant For Astoria Rouyn

is now en route to more quickly prove up at depth the surface indicated, 1000 feet long and 74 feet wide potential ore body on group IV. Test pits have shown increasing mineralization at depth.

Field operations are under the personal direction of J. G. Sipprell, a competent and experienced mining engineer.

Invest Now. Write
ASTORIA ROUYN MINES
LIMITED
74 Sparks Street, Ottawa

SWEDISH AMERICAN PROSPECTING COMPANY OF CANADA, LIMITED
215 Metropolitan Bldg.,
Toronto 2, Ont.
26 Beaver Street, New York City
HANS LUNDBERG

CHAS. SPEARMAN, B.Sc., M.A.
CONSULTING MINING GEOLOGIST AND ENGINEER
Examinations, Reports, etc.
Preliminary Exploration & Mining Programs
Room 704, Power Building,
MONTREAL, Que.
Cable Address: "Anticline"

SHERRITT GORDON ORIGINAL DEPOSIT NOW WIDENS OUT

Company Now Has 225 Men at Work on Manitoba Property

Sherritt Gordon's recent surface exploration work has disclosed that its original ore deposit shows a tendency to widen, and from the average width of 17 feet first uncovered, more recent developments have shown widths of from 25 to 30 feet, while at one section a width of from 50 to 60 feet has been laid bare.

Some 225 men are now employed on the property and the staff is being steadily increased to permit the work being pushed forward with the maximum rapidity.

No. 1 shaft has been put down to a depth of 80 feet by the aid of a gasoline-driven compressor, and No. 2 shaft will attain the same objective shortly. The work of installing the big mining plants for each shaft is progressing rapidly, and as soon as completed the task of sinking the two shafts down to the 1,500 foot level will begin. In the meantime the gasoline compressor will be utilized to sink a shaft midway between the Nos. 1 and 2, to serve as a ventilating shaft when underground workings are pushed out to connect the two big operating shafts.

Ore deposits under Gold Lake are now being explored by three diamond drills, while three more drills are operating in other sections of the property.

Monelk Mines Has Shaft Now Down to Forty Feet

From Our Own Correspondent

MONTREAL.—Development on Monelk Mines, near Elk Lake Station, is progressing. Numerous stringers are being encountered dipping toward the main lead.

Light silver previously showing only a few inches is now encountered over a width of three feet.

With milder weather, more rapid headway will be made in sinking the shaft which is now down to approximately 40 feet.

The mining production of B.C. for the year 1927 was valued at $62,142,340, compared to $67,188,842 in 1926.

"Opened by Mistake"

An engineer recently spent considerable time looking over a number of old Kootenay properties and he tells rather a good one in regard a recent experience. He noticed from a horizon well up on one mountain, that there was a large sign in front of a tunnel on an opposite mountain. His curiosity was aroused and after a good three-quarters of an hour climb, first down and then up, he got close enough to read the sign, It simply said, "opened by mistake."

PLANET WILL JOIN PRODUCERS OF B.C.

Company Building Mill and Has Opened Big Mine on Mineral Hill

Planet Mines and Reduction Co., controlled by Peter L. Bancroft, Grecian consul of Vancouver, will join the British Columbia producers in a short time, the company having proven a mine of substantial proportions near Kamloops.

In 1888, Dr. G. M. Dawson reported on the Stump Lake section near Kamloops for the Dominion Geological Survey and he named the ground now occupied by Planet Mines as "Mineral Hill." The company has practically proven up the name by opening up in extensive workings what is said to be a veritable mountain of ore. The main shaft has reached a depth of 265 feet, and four drifts have been run north and south to prove the continuity of the ore which has been found to extend on surface for 3,000 feet.

The company holds 11 claims, about 500 acres situated about 2,600 feet above sea level along the C.P.R. main line between Kamloops and Nicola. Haulage to Trail smelter from this point is $4 per ton.

A recent survey of the mine has shown that sufficient tonnage has been opened up to warrant the erection of a 50-ton mill and work will be pushed this summer, so that the concentrator will be producing before snow flies. This survey showed that the milling ore in 41 assays averaged $23.45, while of the high grade of shipping ore, 14 assays gave an average of $113.86. The ore dressing department of the Federal Bureau of Mines made some tests of the ore and secured a 95 per cent. concentration recovery, reporting the ore to be remarkably clean and free from any interfering gangue matter or soluble salt.

Since the survey of the property was made, developments have been pushed on what is known as the Enterprise claim, and assays indicate a substantial improvement in the precious metal content of the ore at lower levels. Angus Davis, engineer, in sampling across a width of 2 2/3-ft. in the bottom of the shaft, got 0.42 oz. of gold and 40.2 oz. of silver.

The veins are quartz and occur in the Nicola formation of the Triassic age, and Dr. Dawson classified the rocks as "diabase porphyry." The company is installing improved mining equipment and expects that with good technical advisers, the mill will open up in a big way this summer. The company has about 750,000 dollar shares outstanding.

OLD GRANBY HEADS OPERATING MIDAS

Coast Property Recently Launched Mill Operations —Has Considerable Ore

The men who put Granby Consolidated Mines on the map, Jay P. Graves, the president, and Frederick Keffer, the engineer, are now occupying the same role in another coast operation, having taken over the old Midas Mine. Graves founded the Granby Co., and Keffer was for 19 years engineer and general manager of B.C. Copper.

In a recent progress report on the Midas, Mr. Keffer, after going into details of the new development work, estimates that there are 21,700 tons of proven ore ready for the mill, with the reasonably assured ore at 30,700 tons. The average grade is $15 or $460,500 gross. The formation indicates that the ore will be deep seated so that the probable tonnage of ore will be many times greater. In addition there is an encouraging section of the property yet to be tapped with a possibility of an additional length of 700 feet on the vein. A mill with 75 tons capacity has been completed and is now operating 16 hours daily. The ore is hauled to the mill by electric locomotives. Mr. Keffer puts the cost of development and mining at $5.50 per ton and of milling at $1 to $1.25 per ton. On 90 per cent. extraction he estimates that the net profit per ton will run around $6.50. Capitalization is $500,000, 25 cents par value.

Laval-Quebec to Spend $50,000 at Serpent Basin

Laval-Quebec Mines will expend from $50,000 to $60,000 on its Serpent River Basin property during the coming summer. A statement to this effect was made by J. A. Naud, vice-president and manging director, at the annual meeting of shareholders held in Montreal this week. Mr. Naud stated that Morris Summerhayes, an independent engineer, had reported that the property was favorable for deposition of minerals and that some mineral showings had been located on surface. The ore, he said, was largely copper with a sprinkling of gold.

The meeting, though sparsely attended, was a harmonious one.

Wilfred Archambault, vice-president and managing director of Hudon-Hebert-Chaput Limitee, and Robt. Starke, formerly president of the Montreal Board of Trade, were elected to the Board of Directors. All the old directors were re-elected with the exception of R. J. Crouch, Sault Ste. Marie, who resigned.

ASTORIA ROUYN'S NEW PLANT READY

Progress Report Tells of Sulphide Mineralization in Rock Blasted Out

Astoria Rouyn Mines' new mining plant is completely installed and working satisfactorily, according to the latest progress report received by the company from its mining engineer, J. G. Spirrell.

The following is the progress report to date for this month:

"The installation and testing of our new mining plant is now complete. The compressor and drills are working in a satisfactory manner. The not unusual difficulties with respect to tempering the drill steel for the hard rock encountered have been pretty well eliminated so that good drilling footage is being obtained.

"Air lines have been laid to the blacksmith shop to dispense with hand power at the forge which will save labor there, also to the site for the start of the tunnel. We expect also to lay another line for testing the mineralized zone at other points.

"The preliminary work at the sloping base of the rocky bluff, necessary to secure a perpendicular face into which to drive the tunnel is about complete so that actual cross-cutting should be under way about the beginning of the week following.

"It is pleasing to note that sulphide mineralization consisting of disseminated pyrrhotite and chalcopyrite in the rock already blasted out, has been greater than we anticipated at this point."

Caribou Copper-Gold Drills in Bourlamaque

Caribou Copper-Gold Syndicate is diamond drilling an important copper and gold showing on its Bourlamaque property. This copper-bearing zone has been traced for a width of 30 feet and the end has not been reached yet. According to the report of R. F. Lethbridge, M.E., in charge of operations, the find is known to extend 60 feet along the strike of the shearing for a distance of at least 120 feet. The shearing has been trenched for 600 feet or more to date. It is stated that the Caribou mineralization is a replacement of a very large and definite shear zone which is mineralized across the whole width and as far along its length as has yet been worked.

Assays from $10 to $16 have been obtained and another gold and copper find on the property is also being examined.

Camp buildings are being completed and a gang of fifteen men with two drilling crews are now at work. Twenty tons of mining equipment have been shipped to the property and enough supplies to last until after the break-up.

H. G. Davidson Joins Miller, Court and Co.

H. G. Davidson, secretary of the Vancouver Stock Exchange for nearly a year, has severed his connection with that organization, and has joined the firm of Miller, Court & Co., as head of that company's bond department.

Mr. Davidson has been engaged in the financial business for over twenty-five years, securing his early training in the Bank of Montreal, Montreal. After five years he entered the brokerage business, and for eight years was a member of the Montreal Stock Exchange. Later he went to Vancouver and played an active part in the affairs of the Vancouver Stock Exchange, especially during the past six months, when such activity has been in evidence, owing to the development of the mining situation.

A. E. Sprange, who has been on the Stock Exchange staff for some time, is acting secretary pro tem.

Adanac Plant Ready

Operations are about to start at the newly-built plant of the Adanac Brewing Company. The big plant, which has just been completed on property north of the Municipal Street Railway barns on Albert Street, Regina, was built and equipped at a cost of $300,000. It has a capacity for 125 barrels every eight hours and there is substantial storage space. Between 20 and 25 workmen will be employed.

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Many Promising Speculations Among British Columbia Mines Attract Attention to Coast

(Continued from page 19)

owns 38 per cent. interest in B. C. Silver and control is held by the Selukwe Co., of London, Eng.

Woodbine

Woodbine group is on the opposite side of Premier to B. C. Silver and during the past months the operators opened out some remarkably rich ore. There seems to be considerable doubt as to the financial position of the company. Officials say that as a result of a recent deal in England the company will have some $450,000 cash and $1,250,000 shares left in its treasury. This would be sufficient to take care of future developments and also complete property payments. There are many who cast doubt on this statement and believe that all the stock has been issued and that some of the promoters have been turning back stock to finance the treasury. If the new ore recently opened up develops into a sizeable shoot, it should go a long way to help out with the finances as it is rich enough to ship direct to the smelter.

Marmot

Marmot Consolidated is a new Portland Canal enterprise that is in the same vicinity as the groups which Premier has acquired. The company has created two classes of stock, Series "A" is treasury and it has been optioned to provide $767,500 working capital. The series "A" are preferred as to dividends and when 50 per cent. is paid they share with the series "B." When the total return on the series "A" amounts to $1 per share, then all stock becomes the one class. Marmot assays show excellent gold, silver and lead values with zinc in some places.

Bush Consolidated

Bush Consolidated has very large holdings, adjoining Woodbine on the west and to the north of the Premier, B. C. Silver and National Silver group. This is a consolidation of a number of properties and the company may ultimately absorb National Silver. The company is driving a long tunnel to cut the upward extension of the Premier porphyry zone and has yet thirty feet to go. It is understood that heavy mineralization has come in and the situation looks promising. This is the same ore zone that Consolidated Smelters is believed to be working at Big Missouri. It is understood that both companies will hit the zone about the same time in April. It is officially announced that shares of Bush will be called for trading here on April 1. Most of the funds for this operation have been raised in the east but it is understood that Vancouver people identified with some of the larger interests have now taken a position in the venture.

Red Hill

Red Hill Mine in the Silverado section of Portland Canal is to operate again. John Haahti many years ago staked practically this whole section and sold several groups. Whenever free he worked at the Red Hill and has now opened up the property sufficiently to justify an aggressive exploratory effort. The property consists of six claims adjoining the Silverado and there are three veins outcropping at a point about 2,500-ft. from sea level. The geology is identical with the Prosperity near by which has been taken over by Premier. Excellent values have been secured in sampling over two to five foot widths.

American Mining and Milling has 26 claims on Fish Creek, Portland Canal and twenty smelter shipments showed values from $80 to $600. The company proposed to drive a long adit that will open up the ore at depth. This company has other excellent holdings, particularly one group near Big Missouri.

Smithers section has come to be favorably regarded, particularly because of the excellent results obtained by the Duthie operation at Hudson Bay Mt. There are five proven veins on this property. A 75-ton flotation mill is now operating on the property.

Alexandria Gold

Alexandria Gold Mines will soon take over full control of the Alexandria Mine which is located at Tidewater, within a reasonable distance from Ladysmith Smelter. This is a gold ore, high in silica and would make excellent flux for the smelter. A shoot of commercial ore has been opened for about 300-ft. and as aggressive exploratory program with the idea of putting a large tonnage in sight will soon be started. This company also operates in Eastern Canada having claims in Marshay Tp. Sudbury, on which some good showings have been uncovered. The company also has a block in Ben Nevis area, Kirkland Lake. This is close to Ben Nevis Mine and the Roache group on which very high grade copper-lead-zinc ore has been opened up.

Toric Mines

Toric Mines, another tidewater operation, seems to be having trouble in its mill operation and has been installing flotation. This mine has been opened up well.

This by no means covers the operating properties in British Columbia. It deals with the leaders and those in which there is considerable public interest. There are numerous others, many coming along more or less as private operations. There are also some camps that are not much in the limelight as yet. Princeton is an example. There are three or four good looking concerns in this section, but progress has been slow, according to a recent supplementary report of the B. C. Mines Department engineer.

Gibson's Fortnightly Mining Review

The present mining market offers excellent profit opportunities to the discriminating investor.

Commitments should be made, however, only on authentic development information.

This is available in **Gibson's Fortnightly Mining Review**, mailed without charge to those interested.

Have your name added to our list at once

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MIDAS MINING AND MILLING CO.

Capitalization: $500,000
2,000,000 Shares, 25c Par

PROPERTY: 12 claims, owned outright, with 12,000 ft. on strike of ore zone. We regard this operation as a speculation of distinct merit. It is in good hands — well financed, has proven ore reserves, which assure an immediate profitable operation.

JAY P. GRAVES, President
Mr. Graves was founder of the Granby Consolidated, which paid under his management over $10,000,000 in dividends. Granby has just declared another dividend of $5 per share, payable in May.

FREDERICK KEFFER, General Manager
For 19 years was engineer and manager of the B. C. Copper Co., Greenwood, B.C., which, under his guidance, produced and treated ore of a gross value of $20,000,000.
Mr. Keffer also supervised the diamond drilling at Copper Mountain, Princeton, B.C., where copper-gold ore of over $50,000,000 gross was proven. Granby Consolidated is now drawing and milling 2000 tons of ore daily from this property.
Mr. Keffer's latest operation is the Midas Mine, of which he has assumed the general managership.

Twelve reasons why we recommend the purchase of these shares are:—
1—Managed by men who have created millions and millions of new wealth in this province.
2—Low capitalization.
3—Full title to twelve claims.
4—No indebtedness; fully financed.
5—New modern mill; 2 years' ore blocked out. Operating 16 hours daily.

Note: Regarding ore reserves, Mr. Keffer's report to stockholders says:
"However, from a general standpoint, the present tonnage in sight is altogether immaterial, for when the great extent along the vein of thousands of feet is considered, together with the geological probability of the vein extending to great depths, the tons in sight are a very small fraction of what can reasonably be expected to be developed as the mine is opened."

6—Gross value of ore blocked out, $460,000.
7—Mines are made; not found.
8—Full new mine equipment, including 120-h.p. Diesel engine, 10-drill compressor, electric locomotive, etc.
9—Milling operations to start March 10, 1928.
10—We want our clients to make money on their purchases from us.

This stock is to be listed. We are offering a limited number of pre-listing shares at 75 cents.

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412 SYMONS BLDG. SPOKANE, WASH.

FISHER-KATZER INVESTMENT CO.,
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Enclosed find check for $.............. for purchase of .... shares
of Midas Mining and Milling Co. at 75 cents per share.
Name ....
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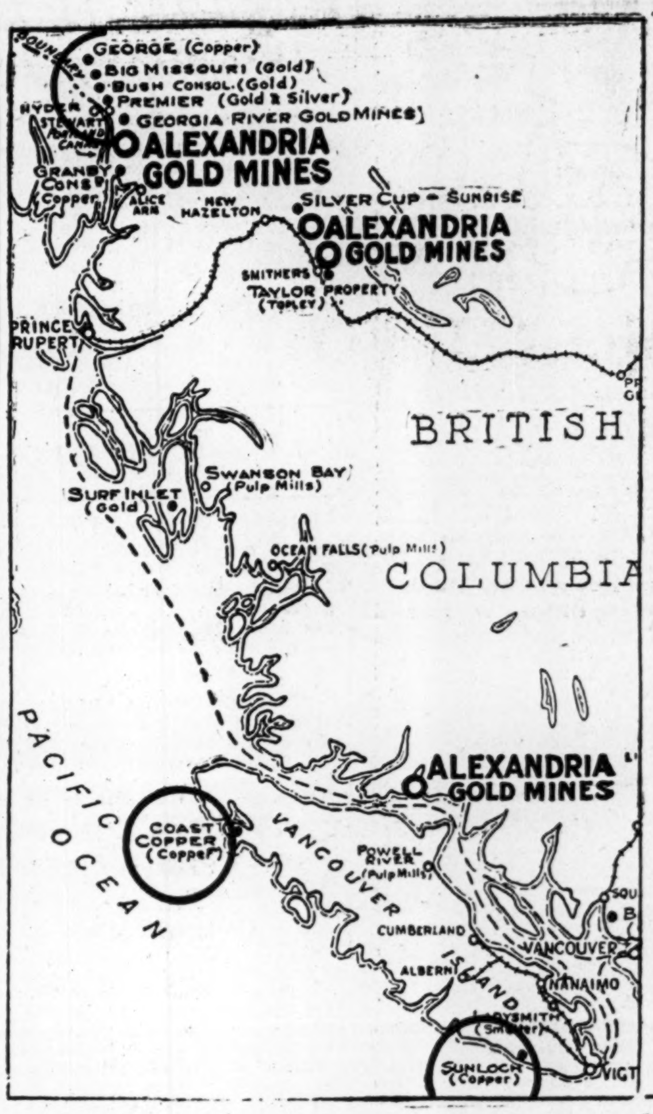

B. C. MINING PROFITS for 1928?

During 1927 sensational advances were made in British Columbia Mining Stocks. Coast Copper went from $3 to $60 per share; George Copper advanced from 10c to $7.75, and Sunlock, for years dormant at 15c, rose to $4.20. Big Missouri, Sir Donald Mann's first Portland Canal property, rose from 35c to $1.40 in a few days. These prices were the result of final public appreciation of the British Columbia mineral wealth. We believe that 1928 will show further tremendous development throughout this province.

We are making a public offering of shares in the Alexandria Gold Mines, Ltd. (No Personal Liability). From the accompanying map it may be seen that the properties are very favorably located in relation to the producers. The directorate are all well-known. The developments are under the management of an engineer of international reputation and the company is well financed.

We believe these shares offer the outstanding speculative opportunity for 1928.

Anglo-London Securities Corporation
HEAD OFFICE FOR CANADA
ROYAL BANK BUILDING
Toronto 2 Canada

Please send Maps and full particulars of Alexandria Gold Mines to
Name ....
Address ....

BEAVER MINES' CLAIMS FOR SALE

Company Has Disposed of Most of Its Assets — Policy Up for Decision

Beaver Consolidated Mines, Limited, has salvaged its remaining moveable property. Its claims are for sale. Its current assets amount to $11,135, and its future policy will be a matter for discussion at its annual meeting to be held in Toronto, Thursday, March 29, according to the annual report just released.

In submitting the annual statement to the shareholders, President D. B. Hanna states that the moveable property of Beaver Consolidated Mines has also been largely disposed of, and that an effort is being made to obtain an offer for remaining assets.

In dealing with the shares of Kirkland Lake Gold Mining Company, Limited, the report states that under authority obtained at a special meeting of shareholders the company holdings of preference shares in the Kirkland Lake Gold Mining Company has been converted into common shares. That the value of this holding has substantially improved during the year, and that the further development of the property is proceeding in a satisfactory way.

The balance sheet for the year ended Dec. 31, 1927, contained in the report shows mining claims, mill plant, less depreciation, at $1,078,511; discount on shares sold at $863,973; investments and advances, including (a) 1,721,527 shares at cost of Kirkland Lake Gold Mining, $671,792, (b) Beaver Auxiliary Mines, Limited, 259,110 shares, $147,441; notes receivable, $113,037. Other investments, $3,238. Total capital assets are shown at $3,002,303. Cash in bank stands at $5,060. On the liability side the common shares, which are the only capital liability, are shown at $2,000,000, with current liabilities amounting to $2,303. The profit and loss account shows a debit balance Dec. 31, 1927, of $106,644, with expenses for the fiscal year of $6,530, leaving a debit balance on that date of $113,174.

Drummond Syndicate Plans to do Some Work

Drummond Syndicate has made arrangements for the diamond drilling of its group of claims in the Woman Lake district which lie between the Picard and Jackson-Manion properties. Considerable surface work was carried on here up till the middle of last December, and operations have just been resumed. It is proposed to carry out some 5,000 feet of diamond drilling here.

Drummond Syndicate owns forty claims comprising 1,600 acres in the Woman Lake district. It has four claims adjoining the Dunkin McBain property on the south, a third group adjoining the Federated, a fourth group of twelve claims adjoining the Reditt-Red Lake, and a fifth of four claims adjoining the Mint-Ore. With the exception of the first group, only assessment work has been done on the properties.

The syndicate reports itself to be amply financed, and a meeting is to be called within the next fortnight for the purpose of forming a company and securing a competent mining engineer to direct operations on the syndicate's different holdings.

A Toronto brokerage house has issued rather a strong letter on this operation. It borders on high pressure stuff.

Noble Five Mine Shows Two Feet of Lead Ore

From Our Own Correspondent

NELSON, B. C.—Sinking in the floor of the lowest tunnel of the Noble Five mine at Cody, in the Sandon district, on a showing of ore that is 600 feet in length on the main tunnel level, Paul Lincoln, who has a lease and bond on the former James Dunsmuir property, has recently followed it down, and seen it widen to two feet of clean lead ore at a depth of 15 feet.

Practically nothing but quiet development work has been done by Mr. Lincoln since the cage accident that killed five men about a year ago, and that interrupted a program of mining in the upper levels, under which he shipped 1,500 tons of milling ore.

Although not often credited with being so, the Noble Five, with some people, is reckoned among the deep mines of the Slocan. A shaft 1,000 feet in height connects No. 1 tunnel, which intersects the property's three veins, with the upper workings, which themselves are far from being near the top. From the outcrop of the Noble Five vein on the ridge to No. 1 tunnel is a vertical height of 3,000 feet. Hon James Dunsmuir, millionaire operator, was giving the mine a large-scale basic development when his sudden death soon after the war ended the program.

The Noble Five and the Surprise, the latter one of the properties of the Rosebery-Surprise Mining Company, are linked in gossip regarding a consolidation, to which it is said their relative position and ore lend themselves.

Speed Flin Flon Line

Over two-thirds of the railroad line from the Pas to the Flin Flon Mine has been laid according to word received by the C.N.R. Engineering Department. Steel reached Cranberry Portage last Friday. Cranberry Portage is at Mile 52.

Do Your Mining Securities Counterbalance?

The basic principle for the placement of funds, so that they will procreate abundantly and bring fortune, is that they be placed in proper apportionment, the major part into investment channels, and equally important, a set percentage into speculative enterprises.

Thus can a safeguard of security be mantled around principal while at the same time unusually large profits may accrue from the more volatile securities as they progress from prospects to realities.

We shall be glad to analyse your list of holdings of mining shares and offer suggestions, where, in our opinion, your position can be improved. ***This service is entirely without obligation on your part.***

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IN view of the extensive present interest in the Mining Companies of British Columbia, Investors are invited to avail themselves of our Statistical Department.

Here they will find a close understanding of the British Columbia Mining Situation gained from many years personal experience throughout that Province; and augmented by daily reports from our own Engineers located at the mines.

Your enquiries will receive prompt attention without incurring any obligation.

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